PB 180955

EDITED TRANSCRIPT

CONFERENCE ON POVERTY AND TRANSPORTATION

June 7, 1968

American Academy of Arts and Sciences
280 Newton Street
Brookline, Massachusetts 02146

Reproduced by the
CLEARINGHOUSE
for Federal Scientific & Technical
Information Springfield Va. 22151

Sponsored by the
Department of Housing and Urban Development

TRANSPORTATION AND POVERTY CONFERENCE

June 7, 1968

FIRST SESSION

American Academy of Arts and Sciences
280 Newton Street
Brookline, Massachusetts 02146

AMERICAN ACADEMY OF ARTS AND SCIENCES

Conference on Transportation and Poverty

Report

Background and Introduction

Lists of Participants

Preparatory session	March 15-16, 1968
Conference	June 7, 1968

Edited Transcript

Summary and Conclusions and Papers

Summary and Conclusions	John F. Kain and John R. Meyer
Jobs and Transportation	
Ghetto Labor Markets-Problems and Programs	Peter Doeringer
Ghetto Dwellers, Transportation and Employment	Edward Kalachek
People, Jobs and Transportation A Profile of Low Income Households in the Tri-State Region	Harold Kassoff and Harold Deutschman
Income Redistribution Effects	
Users of Urban Transportation Services and their Income Circumstances	Martin Wohl
The Social Costs of an Urban Highway: Cambridge and the Inner Belt Road	Gordon Fellman and Roger Rosenblatt
The Mobility of the Poor	Phillip B. Herr and Aaron Fleisher

Programs and Solutions

Using Transportation to Alleviate Poverty: A Progress Report on Experiments under the Urban Mass Transportation Act	Thomas
Free Transit	Gerald Kraft and Thomas A. Domencich
Personal Transportation	Sumner Myers
Taxis, Jitneys and Poverty	Sandra Rosenbloom

AMERICAN ACADEMY OF ARTS AND SCIENCES

Conference on Transportation and Poverty

Background and Introduction

During the academic year 1966-67 the American Academy of Arts and Sciences sponsored a monthly seminar on the subject of poverty in the United States under the chairmanship of Daniel P. Moynihan. The group was composed of academic men representing various disciplines and current or former government officials. The first phase of this seminar resulted in two volumes of essays, now being prepared for publication: one on conceptual issues in the study of poverty, the other on contemporary anti-poverty policy.

At the end of the year it was decided that the seminar should undertake a new series of projects involving conferences on specific subjects related to the poverty problem, subjects which recurred during the seminar meetings. Among these it was decided that transportation was of critical importance. In February 1968 the American Academy obtained funds from HUD and DOT to finance a conference on transportation and poverty and Mr. Moynihan and the Academy asked John Meyer, President of the National Bureau of Economic Research, to organize this project.

In March Mr. Meyer and John Kain of Harvard University, met with the regular members of the seminar on poverty, and representatives of DOT and HUD, in a preparatory session to explore the relationship of transportation and poverty. This meeting was designed to stimulate thinking about the subject on the part of the regular seminar members who had analyzed poverty from a variety of points of view but who had not studied the specific implications of transportation policy. A list of participants in this March preparatory session is attached.

Prior to the March meeting, several papers on urban transportation were circulated. They were "Urban Transportation", by John Meyer, (MIT-Harvard Joint Center for Urban Studies, November 1967); "The Big Cities' Big Problem", by John F. Kain and Joseph J. Persky, (Harvard Program on Regional and Urban Economics, September 1967); and "Housing Segregation, Negro Employment, and Metropolitan Decentralization", by John F. Kain, (Harvard Program on Regional and Urban Economics, July 1967). At the meeting Mr. Meyer presented a general survey of the issues involved in urban transportation in relation to income and employment, and Mr. Kain described his empirical study of the effects of restricted residential choice on Negro employment. Discussion focussed largely on questions of location, both of population and of industry and employment, particularly with reference to the ghetto and the central city. Employment policies and housing were also discussed, as important related issues. This session thus provided a background or framework for the more technical discussions of the June conference.

Meanwhile, Mr. Meyer had commissioned eleven papers designed to present the results of current research on various aspects of the relationship of poverty and transportation. These papers were chosen from current work which he felt was useful and provocative. Most of them were circulated prior to the June conference. Invitations to the June meeting were sent to the members of the American Academy seminar on poverty, to a designated group of representatives of the two sponsoring government agencies, and to other people known to be interested or involved in transportation policy in relation to poverty.

The June conference was to have taken place on Friday, June 7 and Saturday, June 8, but because of the funeral of Senator Robert F. Kennedy, it was decided at the last minute to complete the entire program in one day, Friday, June 7. A list of participants is attached. Mr. Meyer and Mr. Kain organized the meetings into three successive panel discussions, morning, afternoon and evening. These panels, composed of authors of the papers presented to the conference, were organized around three topics, corresponding to the sections into which the papers have been placed in the report: 1) Jobs and transportation; 2) Income redistribution effects; and 3) Programs and solutions. After each panel had discussed its topic with Messrs. Meyer and Kain before the entire audience, the subject was opened for general discussion. The panel and general discussions are reproduced in the edited transcript section of the report. The papers appear in another section of the report preceded by a summary and conclusions prepared by Messrs. Meyer and Kain.

The American Academy now has under consideration various proposals for the further circulation of the material prepared in connection with the conference. Considerable interest in this material has been indicated by numerous requests to the Academy for reprints of papers, or the permission to publish certain of the papers in periodicals. The suggestion of publishing the papers in some form with a comprehensive, analytical introductory chapter, which would deal with the implications for policy and further research requirements, is also being discussed.

AMERICAN ACADEMY OF ARTS AND SCIENCES

CONFERENCE ON TRANSPORTATION AND POVERTY

Preparatory Session

March 15-16, 1968

Donald Berman
Harvard Law School
Cambridge, Massachusetts 02138

Robert L. Blake
Department of Housing & Urban
Development
Washington, D.C. 20410

Zahava Blum
National Opinion Research Center
6030 South Ellis Avenue
Chicago, Illinois 60637

Martha Derthick
Joint Center for Urban Studies
66 Church Street
Cambridge, Mass. 02138

Herbert Gans
Center for Urban Education
105 Madison Avenue
New York, New York 10016

Sidney Goldstein
Federal Highway Administration
U. S. Department of Transportation
Washington, D.C. 20591

David Gordon
Department of Economics
Harvard University
Cambridge, Massachusetts 02138

Alex Inkeles
Department of Social Relations
William James Hall
Harvard University
Cabmridge, Mass. 02138

John Kain
Department of Economics
Harvard University
Cambridge, Mass. 02138

Seymour Martin Lipset
Department of Social Relations
William James Hall
Harvard University
Cambridge, Mass. 02138

John Meyer
Department of Economics
Harvard University
and National Bureau of Economic Research
New York, New York

Walter Miller
Joint Center for Urban Studies
66 Church Street
Cambridge, Massachusetts 02138

Daniel P. Moynihan
Joint Center for Urban Studies
66 Church Street
Cambridge, Mass. 02138

Talcott Parsons
William James Hall
Harvard University
Cambridge, Mass. 02138

Joseph Persky
Department of Economics
Harvard University
Cambridge, Mass. 02138

Lee Rainwater
Department of Sociology and Anthropology
Washington University
St. Louis, Missouri 63130

Peter Rossi
Department of Social Relations
Johns Hopkins University
Baltimore, Maryland 21218

Ali F. Sevin
Bureau of Public Roads
U. S. Department of Transportation
Washington, D. C. 20591

James Sundquist
The Brookings Institution
1775 Massachusetts Ave., N.W.
Washington, D. C. 20036

Stephen Thernstrom
Joint Center for Urban Studies
66 Church Street
Cambridge, Mass. 02138

John Wofford
Institute of Politics
Harvard University
Cambridge, Mass. 02138

Academy Staff

John Voss
Geno Ballotti
Corinne S. Schelling
Martha Athens

AMERICAN ACADEMY OF ARTS AND SCIENCES

CONFERENCE ON TRANSPORTATION AND POVERTY

June 7, 1968

Benjamin Alexander
General Research Corporation
6300 Hollister Avenue
Santa Barbara, California 93105

Donald Berman
Harvard Law School
Cambridge, Massachusetts 02138

Ronald Berman
Public Transportation Department
State of New Jersey
Trenton, New Jersey 08625

Robert Blake
Department of Housing &
Urban Development
Washington, D.C. 20410

Zahava Blum
National Opinion Research Center
6030 South Ellis Avenue
Chicago, Illinois 60637

Seymour Brandwein
Office of Special Manpower Programs
U. S. Department of Labor
Washington, D.C. 20210

Robert Brenner
National Highway Safety Bureau
Federal Highway Administration
Department of Transportation
Washington, D.C. 20591

Siegfried M. Breuning
Project Transport
Massachusetts Institute of Technology
Cambridge, Massachusetts 02139

Harold Deutschman
Tri-State Transportation Commission
100 Church Street
New York, New York 10007

Peter Doeringer
Department of Economics
Harvard University
Cambridge, Massachusetts 02138

Thomas Domencich
Charles River Associates
16 Garden Street
Cambridge, Massachusetts 02138

Gordon Fellman
Department of Sociology
Brandeis University
Waltham, Massachusetts 02154

Aaron Fleisher
Department of City Planning
Massachusetts Institute of Technology
Cambridge, Massachusetts 02139

Thomas Floyd
Urban Transportation Administration
Department of Housing & Urban
Development
Washington, D.C. 20410

Sidney Goldstein
Office of Policy Planning
Federal Highway Administration
U. S. Department of Transportation
Washington, D.C. 20591

David Gordon
Department of Economics
Harvard University
Cambridge, Massachusetts 02138

George W. Hartman
Bureau of Public Roads
Federal Highway Administration
U. S. Department of Transportation
Washington, D.C. 20591

William Hamilton
General Research Corporation
6300 Hollister Avenue
Santa Barbara, California 93105

William Heim
Public Transportation Department
State of New Jersey
Trenton, New Jersey 08625

Lee W. Huff
Policy Review Office
Department of Transportation
Washington, D.C. 20590

Carl Izzard
Office of Research & Development
Bureau of Public Roads
Federal Highway Administration
U. S. Department of Transportation
Washington, D.C. 20591

John Kain
Department of Economics
Harvard University
Cambridge, Massachusetts 02138

Edward Kalachek
Department of Economics
Washington University
St. Louis, Missouri 63130

Harold Kassoff
Tri-State Transportation Commission
100 Church Street
New York, New York 10007

Gerald Kraft
Charles River Associates
16 Garden Street
Cambridge, Massachusetts 02138

Sanford Kravitz
Department of Social Welfare
Brandeis University
Waltham, massachusetts 02154

Thomas E. Lindsley
34 Gramercy Park
New York, New York 10003

Bette Mahoney
Research and Plans Division
Office of Economic Opportunity
1200 19th Street
Washington, D.C. 20506

John Meyer
National Bureau of Economic Research
New York, New York and
Harvard University, Cambridge, Mass.
02138

Sumner Myers
Institute of Public Administration
1150 Connecticut Avenue, N.W.
Washington, D.C. 20036

Talcott Parsons
Harvard University
William James Hall
Cambridge, Massachusetts 02138

Joseph Persky
Department of Economics
Harvard University
Cambridge, Massachusetts 02138

Roger Rosenblatt
Harvard Medical School
Boston, Massachusetts 02115

Sandra Rosenbloom
General Research Corporation
6300 Hollister Avenue
Santa Barbara, California 93105

Gerald Rosenthal
Department of Economics
Brandeis University
Waltham, Massachusetts 02154

Peter Rossi
Department of Social Relations
Johns Hopkins University
Baltimore, Maryland 21218

Eugene Schneider
Department of Community Affairs
363 W. State Street
Trenton, New Jersey 08618

Lewis Schneider
Harvard Business School
Baker 336
Boston, Massachusetts 02163

Ali F. Sevin
Bureau of Public Roads
U. S. Department of Transportation
Washington, D.C. 20591

Robert Shapiro
Special Asst. to Under Secretary
Department of Transportation
Washington, D.C. 20591

Richard Solomon
Journal of Urban Transportation
New York, New York 10017

Mahlon Straszheim
Department of Economics
Harvard University
Cambridge, Massachusetts 02138

James Sundquist
The Brookings Institution
1775 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Karl Taeuber
Department of Sociology
University of Wisconsin
Madison Wisconsin 53706

William Tye
Conant Hall
Harvard University
Cambridge, Massachusetts 02138

John Wofford
Institute of Politics
Harvard University
Cambridge, Massachusetts 02138

Martin Wohl
Economics Department
RAND Corporation
1700 Main Street
Santa Monica, California 90406

Academy Staff

Martha Athens
Geno Ballotti
Corinne Schelling
John Taylor
John Voss

TRANSPORTATION AND POVERTY CONFERENCE

June 7, 1968 - First Session

MEYER: Our first session is aimed at presenting general background information on the relationship of transportation to poverty. Let me begin the questioning by assuming a self-appointed role of devil's advocate. Thus, I would like to address my first question to Messrs. Kassoff and Fellman. There is a strong implication in the Fellman and Rosenblatt paper that low income people tend to be more harmed by eviction than upper middle income groups. They suggest several reasons for this. Mainly, they relate to the fact that low income people very often are members of extended families which are located in neighborhood entities. These groups seem to depend on walking trips to a great extent for meeting many of their daily needs; for example, social, ~~shopping, and~~ recreational trips.

By contrast, Kassoff and Deutschman present considerable evidence, at least for their study area of Greater New York City, that the low income groups tend to be considerably more mobile than others even after controlling for several different variables like various kinds of car ownership, reliance on public transit, etc. That is, lower income groups seem to change their household locations more frequently than higher income groups who are similarly situated in terms of transportation characteristics. Now it could be argued that much of this movement by lower income groups, that Kassoff and Deutschman have observed, is forced; that is, it is due to the very displacement by eviction which Messrs. Fellman and Rosenblatt document and deplore. It may also be true, however, that to some considerable extent this mobility of the lower income groups is a free choice.

At any rate, I would like to ask Messrs. Fellman and Kassoff to address themselves to the problem of reconciling these possibly divergent findings and to discuss the extent to which the greater observed mobility of the poor really is attributable to free choice or, alternatively, to the fact that they tend to bear the greater brunt of evictions and displacements from public programs in our society. Also, and I am particularly addressing this to Mr. Fellman, I would like to have some statistics on how long the people in his study area (Cambridge inner belt area--the Brookline-Elm Street group) have lived there; to what extent there have been changes in population characteristics in that study area; and what has been happening to the density of population in that area over the last few years? All these are important bits of information for attempting to evaluate more precisely the implications, and certainly the policy implications, of the Fellman-Rosenblatt findings about the community structure in the inner belt study area.

FELLMAN: I have not looked at this for a few weeks and I am looking for a specific answer to one of your questions. Something like 40 per cent of the people, of the 1300-1500 families in this area, have lived in their present neighborhood for twelve years or more.

MEYER: There were a number of them that also had been evicted elsewhere previously. That is always important in this issue.

FELLMAN: One of my students a couple of years ago came up with my classic datum on this, a family in Roxbury which had been forced to move six times in eight years and seemed hardly to bother unpacking in the most recent move. I cannot really answer your question in any useful way because I do not really have the necessary data for areas beyond the one I am studying. I do not know, for instance, whether there is some particular characteristic of this area that would account for the kind of residential mobility that Mr. Kassoff is speaking of. There are fantastic differences, I imagine, from one city to another, from one region to another, from one ethnic group to another; the length of residence of ethnic groups would certainly be relevant to understanding any of this. What we were trying to say in this paper is true of one working class area which seems not atypical, but certainly we do not have the data to say it is truly typical. It is not a highly transient area as the state claims. Again, almost half of the people have lived there twelve years or more. Beyond that Mr. Kassoff may have more widely distributed data.

KASSOFF: In our study our primary purpose in looking in residential mobility was quite different from the proposition that you stated of a forced move and eviction. Our attitude in looking at this particular data was to see if we could assign some sort of willingness value on the part of low-income households to move. The idea was that a significant portion of moves made by households was due to employment relocation and the goal of minimizing transportation and spacial separation. We looked at the rates of moves per thousand households between 1960 and 1963--more in terms of how willing they are to move if we are to approach the problem of employment opportunities by following the trend that urban growth seems to be following; that is, growth of employment in outlying areas. All things being equal, such as opportunities to move, would they be willing to move? We stratified household by age group because we found quite logically that the younger families in a more rapid state of change of the life cycle would move more. After we did stratify by age of head of household, we found that hi most groups there was a systematic correlation between residential mobility and income: the lower income households did tend to move more. I could not attribute this to forced eviction due to public improvement.

I imagine that would play a relatively small role. I think the rapid decay of housing in the ghetto areas might have a good deal to do with their willingness to move.

MEYER: Your last remark brings something that may be particularly important. It is possible that the Rosenblatt and Fellman study area is a very special one. It is not truly a ghetto. Housing is old but much of it was of reasonably good quality and substance, rather well constructed in the first place. To what extent do you think, Mr. Fellman, that special characteristics may account for your particular findings?

FELLMAN: Let me say that the point of the paper was not to argue that all working class areas are the same and this is what they are like. We argue, rather, that when one is designing a highway, it would be useful to study the particular characteristics of the areas that could be affected and to see what is there rather than make gross unexamined assumptions about non-middle class areas. I say that only to cover myself in that I think the attempt was not, strictly speaking, to generalize beyond that in the kind of way you are suggesting. I should add in reference to Mr. Kassoff's remarks that I do have an indication, although we did not really include this as a major part of our study, that as firmly fixed as a lot of the people we studied are in their neighborhoods, given the chance to be upper mobile (I think we referred to this in the paper once or twice) I [illegible] most of them would take it. This has been insinuated by a number of respondents. If they could move to what they consider a better area they would, or if they could have a higher income they would be pleased to move out. There is a complex sort of intertwining of effects of being tightly connected to people, to institutions, etc. in the neighborhood with which one is pleased. But I think this is satisfaction often contingent on other opportunities. Many people see no other opportunities or they stop looking for opportunities and therefore settle into a way of life;

but given other opportunities I think many of them might change their minds. I think I would also add that in this area and others like it is the fact that one could make a useful distinction between a mobile population and an immobile one. In this particular area, younger families with younger children tend to be more mobile and to aspire more toward upward mobility than middle aged and older people. I think there is a moving population and a kind of fixed population, one of which is not as harmed by forced relocation as the other.

MEYER: Let me bring Mr. Wohl into this discussion and broaden it slightly at this point by pointing out what one might interpret to be the joint implication of his paper and the Fellman-Rosenblatt paper.

When you take the two papers together, you could perhaps arrive at the following conclusion: the nature of many of our transportation programs is to effectuate a fairly substantial negative transfer of income. Perhaps that is not shocking. I once heard a very reputable and well known public finance economist observe that most government programs are devices for transferring income to well organized groups of the middle class from the middle class in general. When one looks at the implications of Mr. Wohl's paper and the Fellman-Rosenblatt paper, however, one comes to the even more cynical conclusion that possibly, at least in the transportation area, federal programs are devices for transferring income from the poor to well organized groups of the middle class, even the upper-middle class. The mechanism appears to be something as follows. Much of our subsidy program goes to high performance facilities designed to bring people in from suburban residential areas to central working places (I include as high performance facilities here both suburban railway and freeways or expressways). Mr. Wohl documents the nature of the people who drive automobiles and make these longer trips and also those who use commuter railways. On the other hand, Messrs. Fellman and Rosenblatt suggest that the total costs to society of building some of these facilities are a good deal less than simply the construction costs, that there are a lot of externalities, particularly community effects, that just are not taken into account in the conventional economic calculus. Synthesizing, one possibly comes to the conclusion that urban transportation programs are highly regressive in their redistributive aspects. Is this a fair summarization?

WOHL: Yes, I really should not add to it. It is very difficult not to come to the conclusion that there is a perverse income transfer. This is particularly true if you realize that virtually all transit trip making takes place in about five cities. Added to this are bus services widely scattered throughout the country. The data I can pull together says fairly strongly that transit users are a well-to-do group in the aggregate. I also point out that they include people at both ends of the income spectrum and one tends to outweigh the other. As a result, transit subsidy is not a very efficient device for helping the poor specifically.

Allow me to comment on one very interesting thing about the inner belt. In the inner belt study reported at this conference it was implied that the people adversely affected by the inner belt were not really participating in this location decision. However, a recent highway research board report included a very interesting statistic. Briefly, it notes that only about three per cent of our adult population has ever participated in public hearings on highways. And as I recall, your figure was 27 per cent. Is that correct?

FELLMAN: That was people who had gone to neighborhood protest meetings not public, agency sponsored hearings.

WOHL: You implied that these people really were not participating actively in the location decision. And these two numbers indicating first of all a disproportionately high attendance and secondly having attended the hearings, my feeling is that these people really did participate, perhaps because they very strongly felt that they were adversely affected by the inner belt to a very great extent. This just buttresses what John summarized earlier.

FELLMAN: Let me say not at all. I am not familiar with the highway research report you are referring to. But if by hearings you mean those called by (in the case of Massachusetts) the Department of Public Works or any official agency which calls a public hearing on an announcement or a contemplated announcement of a highway location, then you miss my point. Those hearings are usually ill-attended because neighborhood people have little chance of learning about them and have no traditions of organizing for such discussions before construction plans are much further along.

WOHL: Hearings or meetings.

FELLMAN: There would be a vast difference between a hearing sponsored by an agency actually to solicit community opinion and protest meetings which people hold in church basements to try to figure out what to do.

WOHL: I am not convinced they are different. The inner belt hearings were protest hearings.

FELLMAN: Protest hearings in what sense? Hearings satisfy formal requirements to reform a community and scale its advice, but the advice is rarely sought systematically or listened to seriously. There are protest meetings where people try to figure out how to get their opinion across to official agencies which are not interested in receiving it. There is a big difference between that and the officially announced meeting:

"10:00 Monday people can come and give their view." Maybe the paper does not make that clear enough--what the hearing is. This fits into a larger framework of research I have been doing on neighborhood protest movements. The inner belt protest is a reactive movement of people who have taken no part at all in making a decision and who after a decision is made (or in this case is ambiguous because the final decision has yet to be made), people want to do something about it. The fact is, and I could document this all day, these people have gone through numerous kinds of attempts to meet with state officials, pressure city officials, federal officials, etc. to be heard and they are not heard. We could get later, if it is appropriate, into other kinds of devices which do not include the neighborhood people themselves but which help them to get their view across. I would say adamently that these people did not take part in hearings which were relevant to making the decision itself.

WOHL: May I take a moment to argue that. One thing comes out here. I do feel that we are a little bit unfair in suggesting that the problems of this particular group with respect to the inner belt were not considered, etc., etc. I think they were--if you go back to the Hayden and Buchanan study and the work that Bill Nash and Jerry Voss did. In essence I think the problem is one of the aggregate versus the differential. We are basically looking at the aggregate net benefit associated with the inner belt. We are saying that in aggregate it is a good thing and yes we know that there is a social cost. They do not like it. I do not blame them. One of our problems is we do not have instruments for dealing with the problem of differential. We are always dealing with aggregates. And the same thing holds with respect to public transit and the income transfer.

MEYER: There are obviously many ways of trying to correct for some of these misfortunes, these unfortunate income transfers. One would be to set up better mechanisms for compensating those who were displaced for the costs of moving and dislocation. Another would be to stop building highways and urban renewal of whatever causes the dislocation. Still another would be to devise means by which those in lower income classes participated more extensively in the benefits of new developments or facilities; for example, some of the suggestions about increasing private automobile ownership in ghetto or slum areas and providing more jitney service and improved bus services for lower income neighborhoods work toward that end. These suggestions lead into a broader discussion of whether one should stress mass transportation, private transportation, or some compromise as a solution to these problems.

To expand the discussion of this issue, I would like to quote from Messrs. Kassoff's and Deutschman's paper. They say on page 42: "It seems clear that an investment in transportation directed specifically at improving accessibility to employment opportunities must be limited to the area of mass transportation. It appears that the presence of an efficient highway system while otherwise desirable is not sufficient in providing improved transportation capabilities for the poor." In some other papers, however, there is a suggestion that we should emphasize private transportation. Specifically, Sumner Myers', Sandy Rosenbloom's, Marty Wohl's and Kraft and Domencich's papers all build a reasonably convincing case that under many circumstances it may prove cheaper to solve the transportation problems of the poor by encouraging or even subsidizing ownership of private automobiles than by subsidizing and improving mass transportation. I just cannot help but wonder in this quotation if

Messrs. Kassoff and Deutschman were not focusing a little too narrowly on the New York situation. So let me direct the following question to them. Do you really want to be so restrictive and insist that mass transportation is the only way to solve these problems?

KASSOFF: This paper was not really aimed at saying that mass transportation is the only way of solving the problem. The realities of the situation, at least for New York City are that the poverty households do not own cars and that in our opinion it does not seem feasible politically in the near future to actually give them cars or subsidize private transportation. So the mere existence of a highway system actually seems insignificant in helping the problem of transportation for ghetto dwellers. I am not saying that at no time in the future does this pre-empt the possibility of subsidizing private transportation. Within the near future it seems we are committed to approaching the problem from another point, that is, improving employment opportunities, education opportunities and providing an increase in the living standard, which would enable the purchase of an automobile.

MEYER: I have not done all the calculations, but, as I recall Messrs. Kraft's and Domencich's figures, for the Greater Boston area to go to a free transit system, it would cost on the order of $70-80 million. I think the present deficit in the Boston area for the existing system is something like $30 million. I think Kraft and Domencich calculated that for $3 million or so they could provide a rather luxurious service going from Roxbury to most of the new employment opportunities on Route 128. As I look at these figures, it seems to me that you can buy an awful lot of bus and private transportation to provide better job access for relatively limited sums of money.

WOHL: I was going to quote 128 figures. The experience on 128 is quite relevant. What happened is that as industry shifted their locations to 128 a number of them provided free bus services to the employees from Watertown Square or different centers. Within three weeks everyone stopped using the bus services. As people developed employment situations many decided to take advantage of car pooling situations in place of free bus services. This implies the need for considerable flexibility in the initial start-up bus service, some kind of very flexible and mobile operation that can shift from time to time until people join car pools or obtain credit backing or whatever to enable them to buy an automobile. Regarding the latter, I see absolutely no reason why the federal government should not consider the possibility of giving people credit backing or loans or whatever to buy automobiles.

KAIN: Before we go galloping off on this solution, we ought to just stop for a moment and think about the short-run consequences of giving 86 per cent of the households in Manhattan an automobile for their use.

MEYER: I was waiting for Mr. Kassoff to make this point.

KAIN: New York is a very special place in this respect, although the problem is a lso very serious when you think about the south side of Chicago. In fact, the density of urban development and related aspects suggest there would be serious problems in a number of the larger and older eastern and mid-western cities. In the short-run there are serious difficulties with the notion that everyone's transportation services are going to provided by some drive-yourself system.

WOHL: You are talking about the small part of the total cost in those situations. If you are working downtown in New York City or Chicago, living fairly close (the people who do not own cars), the ownership costs are really the small costs. The parking, the garaging and all the other things.

KAIN: That is correct. What I am saying is that in places like New York City, and particularly Manhattan, even free ownership of automobiles is not a very viable solution.

MEYER: You do not want to paint this too black and white, though, because there are many options: you can use the automobile, the bus, the subway, the jitney, or car pool. These will be discussed later today and would mitigate considerably some of the cost disadvantages to which you allude. Before we go too far into anticipating this afternoon's events, I would like to switch abruptly to a very technical point that comes out in all of these papers. It relates to the question of differential trip originations by different income classes. First, a distinction must be made between vehicle trip originations and walking trip originations. The unfortunate truth is we have very poor data on walking trip originations. This is a point that is alluded to either explicitly or implicitly in every one of the papers presented. In general, what we find on the basis of the limited data we do have, is that vehicle trip originations clearly decline as we go down the income ladder. Poor income groups have fewer vehicle trip originations. Partly, this reflects the fact that the poor own fewer automobiles. But, also, fewer of them work; there are more unemployed and more retired people among the poor so there is less need to make trips. In addition, the poor seem to make more walking trips; they can satisfy more of their needs without using vehicles. As general background information for discussing policy, it would be useful to have some notion of the weights attached to these different explanations.

FLEISHER: These data originate from the 1963 study that was made in Boston of the individual households. One of the questions that were asked of each of these households was, "How many trips did you make the previous day?" These were then classified by modes. If you add all the different trips by any mode and sort these by income, you find that the poor make fewer trips than the rich. If you then ask what the effect of the availability of public transportation has on the total trips taken, you find that it does have some, but not as much as you would expect it should.

KAIN: Unless the Boston study is very different from the 200 or so conducted in other metropolitan areas, total trips refer simply to vehicular trips plus walk-to-work trips. If the Boston study different?

FLEISHER: Is that total trips by all modes?

KAIN: Walking is not counted as a travel mode except when it is used by persons going to work.

FLEISHER: They have a category that they call "no response" or "walking."

KAIN: Unless they violated the Bureau of Public Roads guidelines, the total trips figure would only be trips by automobile and transit, with the one exception of the walk-to-work trips. All other trips for shopping purposes, for personal reasons, etc. that were made by walking would not be included as a trip in this analysis.

FLEISHER: I see no reason to doubt what you say is true. Their manual did not make that distinction.

KAIN: This is quite critical. It is the point to which John was alluding. Analysis of the question of whether the poor make fewer trips or more trips is very sensitive to the definition of what constitutes a trip. A major difficulty is that the poor substitute walking for vehicular trips to a greater extent than those with higher incomes because they live in denser neighborhoods, i.e. there is a store down the block instead of five miles away. Any analysis using this definition of total trips must be interpreted very carefully. Substitution of vehicular trips by walking trips must be dealt with explicitly. A neighborhood like the one that Mr. Fellman dealt with in his paper is going to be very different from one in the outskirts of Concord.

MEYER: Indeed there is specific documentation in Mr. Fellman's paper that the walking trip is very extensively used by people in his group for social, recreational, and shopping trips which are just the trips that would not be recorded under conventional practices in these studies because they are non-work trips.

FLEISHER: I do not know whether they took total trips to include walking or if they did it according to Bureau of Public Roads specifications. If I have to guess, I would guess it your way.

KAIN: My way is the BPR way.

MEYER: It would be very difficult to document or measure these trips.

KAIN: The only attempt to deal with the walking trip question that I am aware of was a small supplemental survey of all walking trips done by the Chicago Area Transportation study several years ago. It is my understanding that its analysis and interpretation turned out to be such a bucket of worms that they basically junked it.

FLEISHER: That question was also asked with respect to a trip to work on the census. If you have the 1/1000th tape you will find it is documented explicitly.

KAIN: The issue we are discussing has to do with the interpretation of total trips.

KASSOFF: I thought I might shed some light on this question of walk or non-walk. We did a very quick analysis of trips per household and trips per person by income and also by place of residence with respect to New York City. We found that in every income class, New York City residents made fewer trips in the BPR sense. These were per person trips by all modes for all purposes. I would be hard put for an explanation of what other than the walking factor would account for this difference, especially in light of the fact that in the more dense areas you have possibly a greater opportunity to make trips.

WOHL: It seems to me you would expect in New York to find less person trips, walking included, even given the greater density of opportunities. There comes a density of opportunities that you simply cannot capitalize on. You are beyond the saturation pointand more opportunities really do not help. Secondly, it is more difficult to get around in New York City.

MEYER: Do you think it is more difficult in New York City to walk to a grocery store to do some occasional shopping than it is in Beverly Hills, California?

WOHL: I am thinking of all person trips, not just walking.

KAIN: Let us take a concrete example such as shopping trips. I will give you a controlled experiment that I think is relevant here. As most academics, we have traveled some and my wife is used to the different life styles that are occasioned by this. In recent years we lived in two situations where we did not have an automobile available, except when we occasionally rented one for a weekend. Both in Melbourne and in London my wife shopped daily, sometimes twice a day for groceries. There were two reasons: first, the whole system is structured for very frequent trips to the market -- the refrigerators are very small and there are almost no frozen foods. Second, one must buy no more than one can carry--in the case of Melbourne--up a very steep hill. The result was that her tripmaking probably increased by 600 or 700 per cent over her grocery shopping in Belmont. This is a very concrete illustration of the effect of density and car ownership on tripmaking. The New York pattern is probably much more like our experiences in London and Melbourne than our experience in Belmont.

WOHL: I think you take some liberties with that 600 or 700 per cent. This includes going out for a loaf of bread?

KASSOFF: I can support Mr. Kain's statement by my own experiences.

KAIN: Mine was a controlled experiment.

KASSOFF: We do not have to limit it to shopping trips; look at social recreation trips. In a dense ghetto area social interactions are likely to be limited to about a one-mile radius.

MEYER: A lot of people live in that one-mile radius.

KASSOFF: In New York City the ghettos are very large but outside New York City they are relatively small but densely developed and social interaction opportunity outside the ghetto areas is limited. The distribution we found with increasing income seems to result from the elimination of walking trips.

MEYER: Let me get to a general point which I thought Wohl made in his paper. He argued that we should be careful about inferring any "deprived position" from very gross statistics about trip origination. Is that true?

WOHL: Yes. Of course, I really only looked at radial trip making to the central core areas. John has looked at the whole pattern. It is not necessary to repeat all the data John has recorded. I think it is quite right. Trips are much shorter for the low income group and much longer for the high income group; yet the latter are quicker trips but more expensive.

KAIN: There is another relevant example. If we accept the measure of well-being used by Fleisher in his paper, we would have to conclude that the Boston population would be better off if school bussing plans were accepted because the school children would be making more trips. They would be traveling by bus and those trips would be recorded in the BRP survey. Previously they walked and were not recorded. If more trips in this sense mean more welfare, it makes you wonder what all the arguments and concern about neighborhood schools are all about.

FLEISHER: The point that you make about whether the difference in trip making can be interpreted as necessarily showing that the poor are deprived, I think is a very important one. You cannot answer that question unless you count all trips including the walking trips and I think John Kain is absolutely right about that. Even that is not enough because you must ask also "Are they taking second or third best?" And that is even more difficult to ascertain. But suppose that is set aside and the question is posed, "What happens to the behavior of the poor when, for example, they acquire a car without change of income or residence?" Can one argue that if their behavior upon owning a car becomes strikingly like the behavior of people in the next higher income level or several income levels above, that their trip making might not be as much a matter of style as a matter of substance.

L. SCHNEIDER: Marty Wohl points out that many of the transit subsidy programs now benefit those who have the ability to pay, namely, the long-distance affluent suburban commuter. I would like to present the other side of the coin working from some things found by Professor Fleisher. That is the taxicab business and its use by the poor. The taxicab industry is far more important than many recognize. For example, in Boston there are 1525 medallions and a taxicab grosses $10-15,000 per year. Thus taxicabs in Boston gross approximately $15-20 million per year. By comparison the MBTA with all its traffic grosses about $45 million per year. In any major city taxicabs often gross anywhere from 20-40 per cent of the major transit company's revenue. Aaron has reported some statistics which show that the poor, the under $4,000 class, contribute perhaps as much as 20 per cent of taxicab income. Why? They may be subsidized by the welfare department or they may be subsidized by the employer. If someone is hiring a domestic and wants the domestic to be there at a certain hour, he will pay the taxicab fare. Or taxis may be the only feasible transportation available. The point that I would like to make is that the data we have in these papers display some very interesting inconsistencies. On the one hand, we find the wealthy using the form of transportation that we associate with the poor, namely mass transit. On the other hand, the poor do in fact use a mode of high quality transportation that we always associated with the well-to-do.

MEYER: I do not think we should attack the data as inconsistent as much as we should say that some of the numbers are inconsistent with some of the conventional wisdom on these matters or the caricatures and popular notions. I am glad you also brought up the taxicab and jitney aspects because it relates to some of the solutions we will be discussing this evening, particularly in Sumner Myers' and Sandy Rosenbloom's papers. If I follow Fleisher's figures accurately, roughly 20 per cent of the taxi trip originations come from the poor. One can speculate on what these figures would be if we had freer entry, more taxicabs and lower rates, along the lines suggested by Rosenbloom.

FLEISHER: I would like to go back to the suggestion I made before. It might be too easy to write off the differences between what the poor do and what the wealthier do as a matter of life style. I suggest that the taxicab phenomenon might be interpreted as evidence for two diagnoses. The first is that the vehicle trip is, after all, even for the poor, something more desirable than walking. The second is that even in Boston, where the public transportation system is a very good one, and it is especially good for those areas in Boston that are called the ghetto; nevertheless, public transportation is apparently not good enough for the poor and they choose to supplement it by something which is rather more expensive. At least it is more expensive in the short run.

KAIN: I am glad that this question came up because it reminded me of what I think is really a misleading conclusion in Aaron's paper. On page 11 he says, "The poor appear to choose the most expensive mode to supplement their mobility and they use it at the rate of one taxi trip per ten by public transportation." Why is this an expensive choice? I would suggest that the taxi is by no means an expensive mode. Virtually any time anyone does any calculations on this question they come to the conclusion that none of us ought to own an automobile, that we all should use taxis, which would be cheaper. It is not at all clear that the taxi is more expensive than the private automobile, even with existing institutional constraints. What is presented as a paradox in Aaron's paper may not be such a paradox at all.

DEUTSCHMAN: Using my experience with the Tri-state study in New York, I would like to raise two points. One, at Tri-state we had a separate study of taxi trips and we stratified the results by income class. We found a direct correlation between taxi trip making and income where the higher income households made more taxi trips. That perhaps is contrary to some of the findings recorded in other studies.

KAIN: Again one may ask if that is relatively special to the New York environment because of lower car ownership, particularly in Manhattan, of the higher income groups.

MYERS: When we were working on a HUD study we found some data, which are cited in my paper, about the average income of taxi users in Columbia, South Carolina.

Other data they ran off in a similar way seemed to indicate that the average income of taxi users was very low, particularly in the smaller cities where the bus companies were not doing a very good job or perhaps were non-existent. I do recall that the average taxi users' income in Boston was low.

KAIN: For the benefit of those of you who do not know him, that is Mr. Sumner Myers, Institute of Public Administration.

DEUTSCHMAN: The Tri-state study showed that the low income people had a very heavy reliance on mass transit with over 75 per cent taking mass transit to work. The middle income figure was approximately 40 per cent and the high income even less, with only 25 per cent using mass transit.

WOHL: The aggregate statistics on uses of transit related to income are terribly misleading. We also should look at the origin and destination links for these people, and where the different income groups live and work. Who would expect any but the higher income people to use automobiles? On the other hand, if you look just at the central city tripsand the Fairfield county people who work in mid-Manhattan you find that they use transit more intensively than do poor people living in mid-Manhattan and working in mid-Manhattan. Another comment applies to taxi usage; for a similar set of reasons wouldn't you expect a fairly high proportion of poor people to be using taxis? And why would people who live in the suburbs, work in the suburbs, etc. use taxicabs?

KRAFT: Marty, you speak of aggregates and this raises another point in your paper. You describe the difference between the average annual family income of all United States workers and that of workers using transit. First of all, workers using transit generally live in urban areas which are characteristically areas where incomes are high relative to rural areas. Second, how does the average income of the commuters on those fancy trains in New York City compare with that of bus and subway riders, perhaps in the same city. It is not clear to me that when you lump all these together you can really draw the conclusion that urban transit users in fact are on the average wealthier than urban auto users.

WOHL: I cannot argue with you; you are right.

MEYER: I want to attack you too on some of your aggregates.

FELLMAN: Could I add something on this taxi issue. These are sort of half-educated impressions. I had occasion to attend meetings weekly for about a year at a public housing project in Roxbury. One of the things that startled me about this area which I was totally unfamiliar with before that year was the number of taxicabs I saw coming to and from the housing project. After a while it began to dawn on me that I did not understand at all why people were using cabs so much. I started asking a few of the people who lived there and came up with a set of notions having to do with the style of life of the people who lived there which I think might be useful. For one, a term which is used by sociologist David Caplovitz comes to mind, "compensatory consumption." That is, some people, including Caplovitz, have a sense that the poor people when they find themselves continuously blocked in their mobility aspirations tend to pick one or two items like a television set or taxicab or something else with which they will indulge themselves as a way of compensating for other things they want but cannot have. It occurred to me that this might be relevant in understanding the taxi use I noticed. One woman in the project told me that one of the reasons she and some of her friends (these were black women) liked riding cabs was that it was the only occasion they had where someone was serving them. She also told me that some women rode cabs at night because the neighborhood was dangerous, and even a block or two walk from a busline was something they did not want to risk. Finally, from other impressions, I did have a sense that cabs are used often in emergencies and that emergencies are defined more broadly and loosely by lower-class people. I think one would make a mistake in trying to find a single reason why cabs are used by poor people.

FLEISHER: Let me suggest that the purpose of this panel is less to account for the travel behavior of the various social and income classes than to ask whether there is a disparity between what the poor have for transportation and what other income classes have and what is the quality and nature of the disparity. By which I mean, Marty, that your involved accounts of the behavior of the rich are perhaps ever so slightly irrelevant.

FLEISHER: The point of the discussion, I think, might better be whether one can measure the difference in the travel behavior or the poor as it is related to their being poor.

MEYER: No, I think that Lou Schneider stated the reason for this very lucidly. To a considerable extent public policy has been made on some grossly oversimplified notions of who uses these different facilities. The conventional wisdom is that when you subsidize mass transportation (even the commuter railroad) you are helping the general public and perhaps even lower income groups of society; whereas if you were to help taxicabs, you would probably be subsidizing people in higher income groups. So I think it is terribly relevant to this discussion, at least as it relates to public policy and where we should allocate funds in terms of trying to alleviate poverty problems, that we have some notion of what are the general income characteristics of those who use different facilities. I also think it is terribly relevant to have some notion of what motivates people to use different facilities, along the lines Mr. Fellman has pointed out.

R. BERMAN: Along those lines, if we agree, and I think that is probably the case, that higher income groups use commuter rail service, it seems to me that there may be different reasons for subsidizing commuter rail service. Even though you may have a number of poor people using taxicabs there may not be a very real reason for subsidizing or for changing policy concerning taxicab drivers.

MEYER: May I answer that. I think you put your finger on what is legitimate in Professor Fleisher's comment. I do not think we should discuss the transportation problems of the high income groups, the commuter railroads. I think there is a wide range of solutions to their problems beyond subsidization such as recapitalization and rationalization of fare structures. The suggestion has been made that something short of subsidy for the taxicab might also do a great deal of good for lower income people. This is brought out in Sumner Myers' and Sandy Rosenbloom's papers, namely that simply taking some of the artificial restrictions off entry into the taxicab business, without use of any public funds, might do a great deal to improve urban transportation for the poor as well as the rich.

L. SCHNEIDER: Let me give a very short case study of how this becomes very meaningful. In St. Louis service cars or jitneys for many years operated over several routes. During the past two decades the routes connecting the middle class areas and the CBD were discontinued. The remaining lines served the ghetto population. They provided not only local transportation for shopping but also transportation between the residential areas and the central business district. These cars were nine-passenger limousines. When the transit company was taken over by the public transit authority, they recognized that these service cars were diverting substantial revenue from the paralleling bus operations. The public transit company finally succeeded in buying out the last of these service car fleets. It should be noted that at the end the service cars were almost exclusively patronized by negroes. Did the drivers sometimes own their cars, Mr. Kalachek?

KALACHEK: Twenty-five years ago when I was using service cars, I was under the impression that some of the operators were also owners. But, during the sales negotiations the press releases indicated that the mayor's company owned all of the vehicles.

L. SCHNEIDER: When the transit company bought them out, they almost had a riot on their hands because the drivers were now unemployed. This whole system of negro transportation at low cost and very frequent service was destroyed and the public transportation company could only say "Well, we'll give you preference on hiring you as bus drivers."

BRANDWEIN: This background session has focused on transportation and very little on poverty. We talked about transportation habits and availability of transit. It would be helpful to get some perspective on what ways and to what extent transportation difficulties contribute to poverty and hamper climbing out of poverty.

MEYER: That is what this afternoon's session is specifically on. I think there is something to be said for specializing the morning session as we have.

GOLDSTEIN: Could we move back a bit toward the relocation problem. I just want to point out that public policy though it moves slowly is moving to correct some of the problems that Mr. Fellman was describing. As you know, there is a Muskie bill on relocation assistance that is currently being discussed which provides for all public works projects certain uniform provisions for rent supplements and for various other kinds of relocation assistance. In addition, the administration has requested that this include replacement housing amounts up to $5,000 over and above market price to provide decent, safe and sanitary housing. Many of the problems that you describe are already being met or rather there are responses in the works. Secondly, with respect to hearings--there is also right now under discussion in the Department of Transportation and almost ready to go, two highway hearing procedures which would provide for hearings at the location and design stages and which would also provide for much wider community representation than currently exists.

MYERS: I would just like to ask Mr. Fellman a question about a point in his paper. It seems that the people who owned houses resisted the on-rush of highways more strongly than the people who did not. I wonder if you might explain the difference. Is it because people who own property are smarter? Or is it because people who do not own property just do not care all that much?

FELLMAN: Well, caring might be one variable. I think a sense and experience of potency might be another. Part of our data seem to show fairly clearly that people who own property have a clearer and more accurate sense of the political system than people who rent; this may well be true at least at the low income and low-middle income level. The possibility is that owning property itself sensitizes one to taxing and various other municipal procedures which are relevant to owning. But I have the further sense these people feel kind of a closer sense of identification with the political system. They are able to name more city councilors, they have a better awareness of what the political process is, etc. I think also they obviously have more at stake in wanting to stay in a neighborhood. For many of them the choice is between owning now and renting later. For the renter the choice is between renting now and renting later. Some owners prefer staying where they are.

MYERS: Or selling higher.

FELLMAN: Or selling higher, but they do not see that as a realistic possibility at the moment. With pending legislation this could eventually come about. But I think most of them, from what they know of other experiences in the area, expect not to sell higher and probably would not.

IZZARD: Following up on what Sid said, I want to point out that the state of Maryland has legislation on the books which provides up to $5,000 for payments relating to the difference between the appraised value of the property and an equivalent piece of property that is available for the displaced person to buy. The regulations governing the use of this have not yet been evolved. The experience has been that actually on the average in the state of Maryland (and this would primarily reflect the Baltimore experience though I am not positive about that) that the actual difference is only on the order of $4,000. You get what I mean by the difference--the difference between the appraised value and purchase price of equivalent dwelling.

MEYER: Let me inject myself into this debate and play the devil's advocate again. I think that the thrust of Mr. Fellman's and Mr. Deutschman's paper goes well beyond suggesting that compensation at market value will be sufficient. The point that emerges from their paper is that the costs associated with displacement are much more subtle, much more extensive, much more difficult to trace than what we conventionally associate with simple market evaluations. The policy corollary is that you should compensate the displaced by more than what would be dictated on strict market tests. Is that an unfair summary of your position, Mr. Fellman?

FELLMAN: No it is not. If I could extend it just a little, I imagine the problem that you are speaking of would vary from city to city enormously depending on housing market and various characteristics. Cambridge is in an unusual situation of having an extraordinarily difficult housing problem; that is, the demand for housing is far greater than the supply. The demand increased especially sharply over the past 10 or 15 years in upper-middle income groups, which applies, in effect, a kind of squeeze on the lower and lower-middle income groups. The latter is not moving from a house in Cambridge to an equivalent house in Cambridge. It is moving from a house in Cambridge to what may or may not be an equivalent house in Somerville, Malden, or Revere or somewhere perhaps further away. So far the proposed solution that the state has offered in construction of 14-story high-rise units over the highway which would be depressed along the Cambridge section. This raises various problems, partly economic, largely sociological, first of all about people having a two-or three-year interim between moving out from where they are and back into high rise units over a highway. Second is the question of what it means to live in a high-rise compared with a house on the ground. We enter here into style of life issues of a very complicated sort.

IZZARD: I will have to agree with you. I would just like to suggest that we would like to join with you in research on these problems. We recognize that this has not been adequately researched.

PARSONS: An another sociologist who has not had very much to do with this kind of thing, I would just like to second both Messrs Myers' and Fellman's remarks on this point. I have served in a very uneven way on the advisory committee on the Cambridge Inner Belt problem. You get a very vivid impression that there is much more than a financial stake involved for the people in the area. They have become attached to their particular homes and their particular way of life and set of associations in the community and they just do not want it broken up. That cannot always be allowed to stop changes, but it is the sort of thing that very much needs to be understood.

PERSKY: Before we get so cozy in our interdisciplinary group, I think Messrs. Fellman and Rosenblatt discussed another point that we seem to be ignoring. I think it may be a more important one. That is the decision-making process which determines where a highway is built. While we here may regard it just as a social cost of bribing people enough to give up a certain amount of right to make the decision, in the future what is going to be the issue in areas like Brookline Street.

MEYER: May I interject, Joe, that what people are seeming to conclude was not that you should necessarily pay or buy people off but rather recognize that a market-oriented determination of what to pay was likely to be inadequate. That was more the consensus point.

PERSKY: The point I am trying to make is that in areas like Brookline Street and in areas like Roxbury (where the same road is becoming an important issue) it may not be a question of paying them anything, it may be that the process of determining where highways go and how they are built is going to have to be more cognizant of these communities. Not just in a paternalistic way that says, "yes, they want to live there and that's very nice and we ought to try to help them" but in a manner that allows the control of these areas by the people who live there.

MEYER: I think both Messrs. Izzard's and Goldstein's statements were very much along the line of suggesting that slowly but surely government policy was beginning to move in the direction of trying to take into account such considerations.

IZZARD: I agree fully with this. As a matter of fact, I am hiring on my staff a man who is currently getting a Ph.D. at Stanford where his dissertation is built on developing techniques for evaluating social factors that ought to be considered in decisions on public works. How do you get a handle on this? You cannot express it in dollars and cents. You must have some relative scale of value.

ALEXANDER: It seems to me that there is another element that you have to include to play the game fairly and that is to anticipate whay is going to happen. It may very well be that the highway is a force for change. There are very many other forces for change. I do not see how you can identify the social cost of transportation systems without making that part of a total urban plan in which you ask all the questions, not jus the sentimental ones.

FELLMAN: A number of things come to mind. In this particular case the area could undergo other kinds of economic change quite independent of a highway or even its threat. I suppose in a way I am trying to limit myself simply for practical reasons of not getting into university expansion and so on. But even where I could go into that, I think certain questions would be raised such as the compensation rate for property that universities in Cambridge pay compared to a lower price someone else might pay. I would like to speak to the point because it is not new to me that some people consider this kind of approach to be a sentimental, soft approach. I think what Mr. Rosenblatt and I are trying to do here is to raise in the most serious way possible what conventionally are called sentimental issues as issues of priority in public policy. The so-called hard issues are how much can we pay in order to finally solve this problem or what kind of new structure can we build or what kind of decision making process can we evolve. These are ordinarily posed while neglecting issues like the one Professor Parsons mentioned of people's emotional attachment to their homes and to their neighborhoods and to relatives living nearby. We get into some very complicated issues here. I certainly wish Mr. Izzard well in his new relationship with the man who is trying to work out precise indexes for measuring these things. But I think one of the things that we ought not to lose sight of, and this is speaking to the last four remarks now, is the question Baltimore is facing at the moment: How can we in a joint systems approach design solutions to transportation problems so that people are not so badly hurt as they often have been. Another way of looking at that problem,which for me is one of the central probelms at this conference, is to ask if there are quite different solutions to these problems which would not necessarily involve relocating people at all. Here I would like to take exception with the chairman on his operational dismissal of some of the issues of commuter railroad use. It seems to me that one might find that subsidization of things like commuter railroads were they done in certain inventive ways might reduce automobile use, might reduce the necessity for highways. Suppose we had a set of priorities which said that maintaining stable neighborhoods in cities is good; then we might say, "Yes, let us subsidize the railroad so we will not use the car so much."

MEYER: We (myself and some collaborators) have spent some time looking at that question and the preliminary returns are terribly discouraging about the feasibility of any such "solution". There has been some further work done since and it also is discouraging. May I, therefore, refocus on another possibility? Let us assume that the community through which a new highway is to be built is one in which population is declining. The community is mainly cherished by the older members who have lived there longest. In such circumstances, why not think about something like the following ? Why not have the highway authority systematically buy up structures that are just slightly off the highway routing as they become vacant and thus build up a reservoir of houses available for relocating some of the older people who want to remain, but live in the proposed highway right-of-way? If the total population in the general area is dropping, if the younger ones in the community really want to move outward, maybe there is some kind of compromise, a more flexible policy, whereby we can minimize the dislocation of the older residents by not moving them out really, but just moving them slightly, while still permitting the highway to be built. Perhaps we have enough slack in the situation due to the basic population trends to effectuate this kind of solution. Admittedly, such a policy does not solve all problems and it is administratively more difficult. It requires a little more subtlety and more time of those who administer the highway program, but it might be well justified.

GOLDSTEIN: John, I think that actually we are directing our attention in the Federal Highway Administration to exactly the kind of solution you have been discussing in terms of these urban design concepts which you mentioned in Baltimore and there are four or five other such design concept teams in existence in other large cities. But for those people who do not have the opportunity or where the population is such that you cannot solve it this way, the relocation bill I referred to provides other solutions. For instance, this bill also has rental supplements as part of it so that a poor person who cannot pay the rentals in the general area because of the market pressures can obtain a supplement so that he can afford adequate housing.

ROSSI: I have a little difficulty evaluating what this means. Mr. Fellman's paper states that fully 60 per cent of the people studied had relatives in Cambridge. You could say only 60 per cent had relatives in Cambridge. Without any standard of comparison you do not know whether it is a tight community, a loose community, an ordinary community. Throughout the paper there are statements without comparison. Sixty per cent have relatives in Cambridge. Approximately 75 per cent of the population lives in the same city with relatives throughout the country. That seems low. I would also have to worry about the age distribution. Further, it is stated that 75 per cent of those studied live within walking distance of each other. Is that high or low? The impression I got from statements made earlier was that the impact of relocation would be on older persons in particular. You have to make a distinction between persons who are in a bind because they happen to be in a declining period of their life as opposed to those persons who would be severely hurt by relocation. I think some sentimental attachment that people have for neighborhoods is really a sentimental attachment to a way of life which they feel they cannot easily reconstruct. We do not know whether if we relocate these people they can reconstruct the same kind of life they had. We do know that in some cities the people said "Yes, we would like to live back in the old neighborhood." How important is that? These were not only poor people.

FELLMAN: One of my surprises when asked to participate in this conference was simply that most of these people I studied are above the poverty line, but not extremely high above. Let me address myself to several of those points. Although I think for various purposes it would be interesting to compare the figure of 75 per cent of the people being within walking distance of relatives with a national norm controlling fro class, age, etc., I do not know how useful it would be for the particular purpose of this paper. Suppose the national norm was 82 per cent. It turns out that this is slightly below it. I do not think it makes that much difference in terms of the general point which is that people who are attached to a style of life want to maintain it. Now if it turns out that only one per cent of the people do, one might have a talking point. I think some of these figures are high enough in this context that the comparison, although very useful for other purposes, would not be particularly relevant to this one. As for knowing exactly whether people can reconstruct their lives, that of course is an open question. My greatest familiarity with research on that is a study and a dozen or so articles that Mark Freed and his group have done on the West End relocatees. There, of course, you are right, insofar as you make the observation that people say "We would rather not have moved." We do not really know what has happened. Maybe after 10 or 15 years another kind of life will have been constituted which will be satisfactory, but I would guess not after only six months.

There is another aspect of this to which I would like to refer which we have not talked about much and that may be more appropriate in another context but I think it must be mentioned. That is the feeling of rather being put upon, of being moved around, having no participation in the process of relocation. Any of us who move ordinarily move because we make the decision to move for job reasons or housing reasons. The whole sense of political powerlessness is involved. Certainly we would not want to support a policy which maximizes those forces rather than which minimizes them. I think the issue here is people's relationship to political process. Feeling on the short end of things in a rather routine and repetitive way is not inconsiderable and ought not to be discounted here. Certainly one can say, "After all people are going to survive this move." Of course they will survive. Few of them will die. The terms of survival we are trying to suggest may be painful for many. The West End data suggest that it is. If you want harder data I would like it too, but that is all we have to go on at the moment.

MEYER: One of the statistics I wanted as part of the general background for this session, but which we did not obtain, was the extent to which people are displaced by private activities as contrasted with public.

KRAFT: After you dry the warm tears away, you cannot really appraise the effect of the dislocation by looking at only one side. Is it conceivable that after being moved and settled in a new neighborhood these people are really better off than they were before? I think the answer is that we do not know. I am curious about another aspect. What happens to the people who are not relocated and who live near or adjacent to the area subject to the land taking? Do they stay there and try to keep this neighborhood process going, or do they move out voluntarily after the road is completed? Those people may be more damaged because there is no government method to provide any kind of compensation, although they may be very much affected. Those who are relocated might be grateful as a matter of fact that they did not live right along side of the facility in a location not being taken. I think the people on Route 2 for instance, where they are blasting, are much worse off in some sense than the people whose homes were taken.

FELLMAN: Just anecdotally, it is interesting that one of the three most active neighborhood leaders in this particular protest movement is half a block from where the road would be. Most people are concerned because it is going right through.

DEUTSCHMAN: The last 20 to 30 minutes we have been focusing on the problem of moves due to highways or involuntary moves. At Tri-state a supplement to the home interview survey was a mobility question which asked a sample of 56,000 households why they moved and stratified the results by 13 basic reasons. That sample was stratified again by household income. The results showed that less than 10 per cent of the households in low income classes moved because of involuntary reasons, highways, etc. Ninety per cent of the moves are voluntary in the sense that they are caused by marriages, changes in life cycle and other reasons. We are talking in general about transportation and poverty. I think we are really focusing on one aspect and perhaps not enough on the other aspects. Mr. Kassoff mentioned that the differential mobility rate between low income and other income groups is not so great that we cannot pose solutions for low income houses. In other words, they are fairly stable and most moves are made voluntarily rather than involuntarily.

IZZARD. Before we get to that could I ask a sociologist a question. Is there any reason why human nature is radically different by classes? People who move around the country a lot seeking better opportunities find themselves pulled out by the roots from a community where they have become very active. We manage to make that transition. Is it any different among the poor?

FELLMAN: Yes. I think it is very different for many reasons. One is that if you move for job opportunities, because it is a job you like better or you are going to be paid more for it or somehow your own satisfaction with the work, your general satisfaction is increased to the point that whatever the inconvenience of the move may be you are willing to make it. If you take a person who is a window washer or a dime store clerk or whatever and he has to move to another city, he has to pay a transportation cost to get to work that he did not have before. He loses his friends, the stores, the church, etc. What has he gained? I think the point of what you gain is absolutely crucial here. Secondly, people at your income level and my income level have a kind of orientation which is not rooted in the immediate neighborhood. If I had to move from where I live it really would not bother me very much, other than the packing. My friends do not live on the same block, my relatives, thank God, live in another part of the country. I do not go to church. I have no ties to the A&P down the street. My whole style of life is rooted in automobile trips to friends who live anywhere from half a mile to other parts of the country. That is, I live in a cosmopolitan atmosphere where my orientation is far beyond neighborhood. Neighborhood has not means much to me since I was a child in the lower middle class where, in fact, it did mean quite a bit. People like I am talking about in Brookline Elm live in what one sociologist called an urban village. They live there. Many of these people do not go to Boston to shop. They do not leave Cambridge and they do not see much of Cambridge. They live, many of them, right where they work and where their homes are. It is a kind of village. So when one asks them as the upper middle class often does, "Why don't you move to Somerville? What's the difference; it looks the same to us?" what is happening is the middle class person is saying, "I do not differentiate among your houses and neighborhoods, they all look grubby. You might as well live in grubby area B as well as grubby area A." Which misses the whole point of tightly structured, village-oriented life compared with a life that is cosmopolitan and highly mobile because of opportunities. That is part of it.

MEYER: I think that the BPR has had more than equal time answering the panel. Now it is HUD's turn. On behalf of HUD I want to make an observation to stimulate this discussion. I think a very strong suggestion comes through in Marty Wohl's paper that there has been a deliberate high income bias in many of the HUD mass transportation demonstration programs. I think this is a bit unfair because as Wohl himself suggests, it is easier to find data on the high income oriented demonstrations. I think there is another reason which is more subtle and perhaps Tom Floyd would address himself to it, and that is the possibilities that there would be many more low income demonstrations except for the fact that they require more planning and encounter more complexities and difficulties in terms of local arrangements. The fact of the matter is that it happens to be a great deal more difficult to mount the kinds of demonstrations that are aimed at helping the low income groups than the high income groups.

WOHL: You say that I implied a deliverate bias on the part of HUD. I do not think deliberate is appropriate. I think there is a bias; whether it resulted by accident, by choice or otherwise, I do not know. I strongly suspect it is ; one, by accident and two, by virtue of the fact that the people who are urging certain programs just happen to be certain powerful and well-to-do elements of our society. The Long Island Railroad situation for example happened because this is a well organized, well heeled, powerful group. They have better representation in being heard, in terms of urging things on their own behalf. I do think, though, not to back away, that HUD has not asked the right kind of questions. I think it is appalling that we can have situations as exemplified by the Century Boulevard Line, the so-called Watts project. I think it is appalling that we mount this effort and do not ask the sort of questions which will bear on the points we are raising here. Not to know where the people using these services come from, go to, what their income circumstances are, etc., is horrendous.

MEYER: Yes. I think also it should be observed in passing that HUD has sent out some questionnaires to Mayors, I believe, in various cities trying to promote an interest in more demonstrations oriented toward helping low income groups. This very program of sending these letters out is an attempt by HUD to overcome this bias in terms of who is organized or heard. It is not widely known that they have made this effort. I think it is actually still going on, isn't it Tom?

FLOYD: This is true, John. However, I think many of Marty's points are well taken. We have been pushing in new directions and we will be discussing them this evening. Letters addressed to the Mayors last summer resulted in a number of responses and there are studies getting underway in a number of cities. A number of others will probably be started before the end of this fiscal year. They try to ask some of the right questions. However, it is true that many of the necessary questions had not been asked, at least on the Los Angeles initial project until recently. More emphasis was initially centered on operating service and overcoming some of the problems that presented themselves. We are trying to structure the analytical portion of the St. Louis project better.

MEYER: In defense of the Watts project, it was quickly and deliberately mounted to meet a recognized problem in a somewhat difficult set of circumstances.

WOHL: Let me add a few things. I agree on the difficulties in mounting good programs, etc. And yet I still think we ought to be asking questions after the fact. This is the point. We want to demonstrate something. But, let us find out whether we really have demonstrated something or anything. While I pulled together all the data that I could obtain on this subject, one should ask, "Are these typical or atypical examples?" I do not know. They are the only examples I could find. The data are very, very sparse. I have no reason to think that they are atypical. They may be.

MYERS: I want to come to Marty's help with another example. Never underestimate the establishment in these matters. Their power shows up in the allocation of transportation resources to systems that will primarily serve the rich as against the poor.

A case in point is the commuter service from Westchester and Fairfield counties into Grand Central. The Park Avenue tunnels are very much underutilized by commuter trains that carry half the number of people that subway trains could carry in comfort. In order to reduce overcrowded conditions of poor New York's subway riders, the Park Avenue RR tunnels should be integrated into New York City's subway system. But in order to do this you would have to have the Westchester, Fairfield suburbanites get off their trains in the Bronx and change to a subway for the rest of the trip. Unfortunately, the conventional wisdom says, "There shall be no transfers," because otherwise suburbanites will take their cars into town. The fact is that there is no place for them to park in downtown New York. But this view was so strongly held that I could not even get the concultants whom I was paying to consider using the tunnels for subways. Their attitudes were those of the establishment. It did not seem to bother them that by limiting use of the Park Avenue tunnels to a few rich suburbanites, poor New York City would have to spend something like $160 million to build a parallel East Side tunnel.

L. SCHNEIDER: I would just like to try to bring up one final point. We have talked primarily about work trips. I think it is important that we do get into the record a discussion of non-work trips. There is one study someone did in Philadelphia that found that the poor often shopped in super markets even though they had to go a mile or so away. Let us be flexible on some of these generalizations we tend to throw out. For example, the poor by being located in the ghettos--which a generation ago were served primarily by public transportation--actually often have better public transportation access to culture, to sporting events, to shopping, etc. than the middle income and the upper income families.

GOLDSTEIN: I just want to point out the problems that face the decision maker in terms of trying to determine what is a viable community. Because of social policy you may consider Cambridge as a viable community. In other parts of the country, the viable community is where, because of social policy, you protect existing communities, or because you want to break down segregation barriers or some other social policy you break communities down. You then build facilities which tend to break down currently existing communities. So the decision maker has this problem which varies between communities as to whether he is going to build a super viable community or whether he is going to retain the current one.

BRANDWEIN: What about the burden of costs? Transport costs have risen to require an unbearably large portion of the income of many of the poor. What of this question of the cost barrier, its impact on trips, and the related question of how better to bear the rising costs?

FLOYD: I just want to comment on one point about this cost question. The net cost per passenger trip on what is generally regarded to be a highly successful non-poverty project, the Chicago Skokie Swift rail shuttle, and the net cost on the Los Angeles Century Boulevard bus line are almost the same. In other words, the actual subsidy per passenger trip is about the same on the two systems. The reason I mention this is that I do not think this is understood very well. Transit people who are very concerned about the poverty transportation projects feel that HUD and others are leading them down a very dangerous path. They mention the enormous costs in subsidy these systems are going to involve in providing transportation. They imply and frequently say there are not these kinds of losses with any other service they provide. They often reveal a lack of knowledge of what other services are really costing. This gets back to the point that the right questions are often not being asked. We are beginning to ask these questions ourselves and we are in part educating others to ask them locally in local transit systems. This is one observation.

On another point, I would like to ask Marty a question. His comments on BART suggested that the system should be finished only in a downtown area for core area circulation; that this would benefit the poor the most. Where are the destinations? Where are the jobs they want to reach? Cannot a commuter rail system also benefit the poor if properly related to those jobs, including arrangements for transfers and connections? It could be the system will carry the poor to precisely the places they work: regional shopping centers and regional industry.

WOHL: It could be if it were designed and located differently. There are a lot of data in San Francisco on where people work, where they live, how they travel, what their incomes are, etc. The remarks in my paper were abstracted from those data and represented a quick summarization of a lot of other information. If one looks at the city of San Francisco and the bay region, he finds that the great bulk of the people who work in San Francisco and the core area live in the city of San Francisco and the environs very close to it; this is not so strange because of the geographical conditions in San Francisco. The San Francisco workers do not live in the east bay. In fact, once you take out all city of San Francisco workers and those from Dally

City and South San Francisco, the next biggest chunk of people who work in San Francisco and live elsewhere are those who live in Marin County. But BART will provide no service to Marin County. In short, less than 10 per cent of those for whom BART has a potential market today live in the East Bay. That is all of the East Bay. And it is a pretty big East Bay. Unfortunately, the biggest group of those who live in the East Bay and work in San Francisco live in Oakland, but only three BART stations will be located in the city of Oakland, a city of a half million compared to three-quarter million in the city of San Francisco. Where are the stations going to be? They are going to be way out in the suburbs. The lines are going to be 20-30 miles long going out to Orinda, Walnut Creek and other such "poverty" pockets in the East Bay region. I am sorry, but the stations are going to be located where the people who work in San Francisco do not live. The people who do work in the city are not going to be served by BART. If one is really trying to tap the potential market first of all, and secondly, getting at the question of poverty, it seems to me that we are just turned around in San Francisco. I think it is tragic. It is going to be great for people from the distant suburbs who now use Greyhound buses and read papers going into work and can afford a second car to drive to the bus terminal or bus station, and now they can drive to the BART station. That is great. These are the people in Orinda, for example. The average per capita income is only $13,000 in that little town, to give you some idea of the circumstances of these people.

MEYER: It is time to adjourn.

TRANSPORTATION AND POVERTY CONFERENCE

June 7, 1968

SECOND SESSION

American Academy of Arts and Sciences
280 Newton Street
Brookline, Massachusetts 02146

BLANK PAGE

TRANSPORTATION AND POVERTY CONFERENCE

June 7, 1968 - Second Session

KAIN: This afternoon we are going to follow the same format that we used this morning. We are going to try to discuss the issues rather than ask for a summary of individual papers. I think this may be a little easier this afternoon because the papers in this session are slightly more homogeneous. I emphasize slightly because there are some important differences in these papers, but they do make a more uniform group than those discussed this morning.

As the program indicates, the subject for the panel this afternoon concerns the ghetto labor market and the employment access problem. It's appropriate that we spend a considerable amount of time talking about this issue, both because it's inherently very important and it's really the issue that focussed attention on the more general subject of transportation and poverty. The . event that was probably most responsible for focussing public attention on the problem was the McCone Commission Report on the Watts riots, which widely publicized the idea that ghetto residents might have some significant difficulties in reaching places of work from their restricted places of residence in our cities.

I'm going to try to play a role very much like John Meyer did this morning. I will try to draw out some of the differences in these papers and ask the panel to discuss these issues. I think it is important that we attempt to identify these differences. As with this morning's session, it is quite clear that there is a very large area of agreement in the papers. Thus it would be possible for us to emphasize these areas of agreement and to have a pretty good religious revival meeting here while we all sat around and said

"Amen". Instead I think that we really want to focus on and sharpen the differences.

The basic idea underlying our discussion today is that a number of changes in metropolitan spatial structure have occurred in recent years that influence employment opportunities of ghetto residents. The first of these is clearly the very rapid growth in the size and geographic extensiveness of metropolitan regions. Secondly, there have been some fundamental changes in the structure of our metropolitan regions; in particular, the concentrated centralized pattern of employment which characterized our cities several decades ago has shifted to a more disperse, decentralized pattern. Accompanying this employment dispersal has been a rapid suburbanization of the population. But at least one group in our society hasn't participated in this process of suburbanization . That of course is the Negro who for a variety of reasons, which I don't feel we need to discuss today, has been restricted in his choice of residence and thus hasn't participated in this suburbanization to anywhere near the extent that the white Americans have. Recognition of these changes: (1) the suburbanization of the white population, (2) dispersal of employment, (3) limitations on Negro residential choice, and (4) poverty which limits the Negroes access to some kinds of transportation have caused a number of observers suggest that these changes may be having a substantial impact on employment opportunities of Negroes. All of the papers in this afternoon's panel consider one or more of the following. Have these changes in metropolitan spatial structure created a problem for the Negro job seeker and increased Negro unemployment? How serious is the problem? What is its extent? What information do we have that is relevant to dealing with these problems?

Now, given these questions as a point of departure, I feel it would be useful for the panel members to address themselves to the question of the role and importance of race in the employment access problem. It's very important for us first to identify the extent to which being black changes the character of the employment access problem. What I'd like would be an indication of the extent to which employment access and the characteristics of the transportation system interact with this problem of race.

To open our discussion this afternoon, I'd like to address a question to Mr. Hamilton who seems to argue in his paper that this black population I've referred to actually may be better off than the poor in general in terms of employment access. In his analysis of Boston, he draws some isolines that seem to suggest the ghetto is a great place because it's closer to jobs than just about any other place in the metropolis. I wonder if he could expand on this.

HAMILTON: Somebody mentioned this in passing this morning, that Roxbury has good public transportation--I've forgotten who brought it up.

Let me apologize for not having gotten my paper in on time so that it could be circulated. The result that is referred to came from network flow calculations of transportation performance in which, among many other things, we calculated the number of jobs (undifferentiated by type) that were within a half an hour of public transit travel--door to door-- in Boston from several zones, one of which was a ghetto zone in Roxbury. It turned out that a good many jobs were within easy reach and this seemed to be due to the central concentration that prevails.

I was personally, however, more moved by the changes that are occurring in the job accessibility. The forecasts for 1975 Boston say that new jobs are appearing at a great rate beyond Route 128 and are not appearing in the central area. Consequently the number of jobs that are accessible to the ghettos in this calculation will decrease unless considerable improvements are made in the public transit system over the next few years.

KAIN: But if I understand your calculations, which identify concentrations of the Negro poor and concentrations of the white poor and draw isolines around them, would appear to me that calculations for 1975 would come out nearly identically to those you did for the present situation. The ghetto will still be the center of this big semi-circle. Does this mean that all the poor will be worse off and the Negro poor will be relatively better off; is this what you're suggesting?

HAMILTON: No, I think that according to our calculations the job accessibility for the Negro poor in Boston is declining. The extensions and expansions of the transit system now in progress will probably do no more than arrest this. We tried a hypothetical case in which transit was expanded and there the number of jobs accessible by our criteria actually dropped.

I think that to say the Negroes are better off than everybody else because they are close to a central concentration of jobs overlooks a lot of things. I mean, actually one man only needs one job and as long as there is one there and he's got it he's all right. But if the Negro poor are concentrated near the central jobs which are more accessible to everybody else than the jobs in general, then employment competition is pretty severe.

I think the important thing though is the trend away from this. Jobs are moving away and transit isn't really going to go to them.

KAIN: Mr. Deutschman, I believe, you had some figures for New York City which illustrated this imbalance between the poor in general and the distribution of employment. These might be helpful.

DEUTSCHMAN: Well, actually the figures I'm quoting initially will be from the 1963 home interview survey that the Tri-State conducted. I'll also be quoting some figures from the 1960 census that will be supplementary to the paper that you read, or have.

For high-income households and middle-income households there is really a surplus of jobs when you look at the various ratios of jobs to labor force. But for the low-income households there is more of a concentration of low-income people in the residential end as compared to the work end. So, in other words, speaking relatively, the low-income people have to go out further to get their jobs. And these jobs are not as clustered as the high-income and the middle-income jobs.

Talking of the stratification of white and non-white, I have some figures for the New York Metropolitan area stratified by this race category that I think are very interesting. It really doesn't fit into a transportation and employment context, except for the fact that it measures the constraints of Negro people in selecting their place of residence. The stratification here is percent owners by white, non-white, and income. So for equal income classes you can see the percent of white owners and the percent of non-white owners. For example, for the under $3,000 household income category, the ratio of home ownership for white households is 28 % while for the non-white this figure is less than 10%. So three times as many white households having the equivalent income own rather than rent. And this is seen all the way across the income scale. It relates to the problem in that the Negro is restricted to a residence in the core of the city, and in this sense he is prohibited from owning; he is prohibited to move to the suburbs where ownership is the key and he is also limited in his choice of residence to the older decayed units that are in the core city. So, really, the problem of accessibility is apparent right now for all income classes but will probably be greater for the Negro householders because there are constraints on them other than just employment. They are constrained for other reasons to stay in the core area and with the estimates showing that jobs are continuing to move to the suburbs, the Negro in fact will be at a greater disadvantage in the next 10 or 20 years than he is today.

KAIN: Ed Kalachek's paper gave me a very different picture of the relationship between the ghetto and Negro employment. Even with Hamilton's elaboration, I still have the feeling that his paper implies it's a good thing to be a Negro, that they can live in a choice location near a maximum number of jobs. Yet I feel that Kalachek's paper argues that there may be some deleterious effects on Negro employment in this kind of location pattern. Could you clear up this paradox?

KALACHEK: Partially at least. Let me say something first which is not totally related. And that is that there may be a mild danger at times of looking at the last decade's problem, when trying to discuss the next decade's problem. In looking at St. Louis I begin to see strong signs of the movement of the Negro population into what up until 10 years ago I considered to be relatively far out suburbs. Part of the problem of access to the suburbs may be dissipating. It is very hard for me to pinpoint my differences with Mr. Hamilton for two reasons. One is that I haven't read his paper and the other is that I really don't have any confirmed data to back up what I'm going to say.

Many Negro women have traditionally worked in domestic service and many Negro teenagers have in the past found parttime jobs in variety stores or drug stores or doing handyman work. I think, therefore, that you can argue on a priori grounds that the movement of middle and upper-income families to the suburbs has very distinctly created an access problem for this segment of the secondary labor force. The well-to-do now live some greater distance away from the poor and those poor who worked for the well-to-do find it a little more difficult to get to employment.

In terms of the effect on adult males, it's certainly true that, given that many white workers in the suburbs have cars, they have accessibility to a greater number of jobs than do Negroes living in the core area, and that some proportion of jobs have been moved further away from Negroes making the journey to work very time-consuming or very expensive--and Boston's a peculiar city in terms of the quality of it's mass transit system. Now, on a priori grounds I would think this would have a negative impact on the wages which Negroes earned (men who might work in manufacturing or in trade). Whether it has a significant impact on employment or not is a very open question and one which requires a lot of testing.

KAIN: Now, if I understand your position correctly, there would be good a priori grounds for expecting that access might create difficulties for the domestic, but you'd be inclined to say that most of the rest of the access problem -- if there is one -- is strictly a poverty problem. In general, you would agree with Hamilton that it's a good thing to be a Negro as long as you're not a domestic or poor.

KALACHEK: No, I don't think I'm really going to walk into that. I suspect that a couple things are true. One is that the developing mix of jobs in the suburbs is somewhat different than the mix in the central cities. My guess is that many of the manufacturing jobs which are moving out to the suburbs in point of fact may tend to be the better paying manufacturing jobs. And while I think one could very legitimately argue that Negroes are not really very likely candidates for some of these jobs, for others they are reasonable candidates.

KAIN: It sounds as though there is more agreement than I had expected with Doeringer's position. As a matter of fact, there seems to be more agreement on the panel than I certainly had hoped for. Does this tend to be your reading of the situation Peter?

DOERINGER: Say that again.

KAIN: If the Roxbury Negro is advantaged in employment access to the ghetto, his employment opportunities are likely to be higher than other low-income workers.

DOERINGER: I'm not going to take the bait either. Anymore than Kalachek would. I haven't studied the transportation system as such in Boston. But, I tend to feel on balance, with the transportation and the location of the ghetto and their relation to employment opportunities in the city and given the size of the population and quality of education which the Negro population receives, that problems in dealing with urban poverty in Boston are much easier than in other cities in the country. And since most of my experience deals with Boston, I suppose I'm kind of interested in figuring out how much of this kind of facility with which manpower programs operate in Boston could be translated to other cities.

I wouldn't go so far as to say that the Negro in Boston is in a more advantageous position vis a vis any other poverty group. I think he's probably about on a par with the white poverty residents in Roxbury, in North Dorchester, and in the South End. In Boston I find that the unemployment problem faced by Negroes or by disadvantaged workers in general, is not one of lack of jobs or lack of employment opportunities--

it's really lack of employment opportunities which either meet the reservation price or the expectation levels of the population. And this is, I think, partially related to the problem of transportation. If you take Route 128 where you've got perhaps the greatest growth in low-skilled or semi-skilled manufacturing jobs, if you take some places along 128 where wholesaling or retailing operations are beginning to move, I think there is very definitely a suburbanizing job market to which Negroes would be welcome and would be qualified, or more poor people for that matter would be welcomed and qualified to work. Because they (Negroes) are living in the city and either because of transportation inadequacies or commuting time they aren't prepared to commute out, I think that the movement of jobs toward the suburbs is a problem.

I think it's especially a problem because every time a new factory sets up, every time you have a growth situation through the establishment of new production facilities or new wholesaling operations, these places tend to pay somewhat higher than average wages for comparable types of work, because they have a recruiting problem and because they are also in general the more profitable, expanding firms which can afford to pay somewhat higher wages. And so I think that the ghetto dweller -- be he black or white -- in Boston is getting shut off from the better jobs in the sense that they are higher paying, than the more stagnant older industries which are providing him jobs now in Boston.

On the longer run side, John, I think I'm somewhat more optimistic. I think that if you look...it's entirely possible in Boston first of all that the growth...

KAIN: More optimistic than whom?

DOERINGER: Well, more optimistic than you I guess.

KAIN: I stated positions that...

DOERINGER: But you stated positions in the past which I might draw upon. I think that in Boston, for example, if you look at commuting patterns, you can see there are essentially many jobs in Boston which are held by people who live outside of Boston. And that people who now commute into Boston may well choose in the future to commute to jobs closer to where they live. To some extent this will free up or may tend to free up jobs in the central city into which central city dwellers can move. If the labor market should tighten in downtown Boston, for example, becauce of a change in commuting flows, even in the face of a net decline of employment in the city, the central city dwellers could benefit. If the labor market tightened in the city, hiring standards would fall, that employers might become more involved in providing their own kinds of training programs, and in a sense in overcoming deficiences in training which now bar disadvantaged workers from employment.

KAIN: I still have the feeling from what's been said here, that we can all go home early today. Jerry, would you like to comment on that?

KRAFT: Well, of course, we have not studied the question of Negroes or poverty per se, but have looked at the broad question of free transit. In the course of that study, one of the principal arguments advanced for free transit, namely to help the poor, was examined.

If you add up the numbers in Peter Doeringer's paper showing the changes in employment between the city of Boston and the ring, it appears that for the area as a whole there hasn't been any real change in the number of jobs in the four industries that he breaks down, which include just about everyting. But if you look more closely, the total shows that in the period of 1958-1963, which is a pretty short time period, Boston lost 23,000 jobs, while the fringe gained just about that number. So, if the problem doesn't exist right now, it's moving in that direction. And if there isn't a long-run problem, there certainly is a short-run problem.

It's true that the ghetto is well-served by public transportation. There is no question about it in the sense that someone living in the ghetto could probably walk a very short distance and get to public transportation. The problem, it seems to me, is that once they get there they can't go anywhere on it without incurring a large cost in both money and time, principally because the system was designed several decades ago when the orientation of the activities of the city was downtown and consequently a radial system was developed. Today we have reverse commuting to much lower density areas such as Waltham where there are large numbers of unskilled or relatively unskilled jobs. The ghetto worker can't get to these low density areas without incurring tremendous penalities in terms of travel time and to some extent cost, because he has to make many transfers and has to pay each time he transfers. So, I can't be quite as optimistic.

I didn't get a chance to read Bill Hamilton's paper before the session, but I'm curious to know if he's talking about all kinds of jobs or jobs that would be appropriate for the disadvantaged in terms of their skill levels when he computes his job accessibility.

HAMILTON: The jobs were undifferentiated as to kind. They included all employment. And I want to re-emphasize that it's the trend in this and not the absolute numbers that mean something. You pick a time and ask how many jobs are within 30 minutes, and if you pick 40 minutes you get another number. There's no real merit in picking one or the other. It's when you make comparisons of different systems and different patterns of the city for a given time criterion that you begin to get meaningful numbers.

I was most interested in discovering that if the transit system were not expanded the number of jobs accessible to the Roxbury zone would decrease from the 1963 data base to the 1975 projection.

KAIN: But again, if I understand your paper, this is true for everybody, but more pronounced for the poor whites.

HAMILTON: I think the essential issue is whether the people in Roxbury can go along with the jobs or not. In singling out a zone in Roxbury, our calculated accessibility score reflects that this might be a place where people couldn't go, couldn't physically move their residences closer to the jobs.

KAIN: So I'm beginning to get the sense that we do have a problem after all. John, did you have anything?

MEYER: I wanted to ask Peter Doeringer for a clarification. If I understood him correctly he was enunciating what I might call "the Doeringer trickle-down theory". The mechanism seems to work as follows; even though jobs are moving out if total population is moving out even faster, particularly white population...

DOERINGER: Total labor force.

MEYER: Okay. Then the labor force that's left behind -- minority group, poor, whatever -- will be better off because it will get the jobs left behind by this differential rate of exodus between work force and job opportunities. Is that it?

DOERINGER: Well, I threw this out John really as a thought which has been troubling me about some of John Kain's work. That is whether or not you could say anything about job opportunities for central city dwellers on the basis of looking at gross employment and population flows. And I was willing to put myself out on a bit of a limb, perhaps, to just have that question kicked around.

What I would say very clearly is that the employment position of the central city dweller is really a function of the amount of demand in the labor market, of the relative demand and supplies. Now, you could have a situation in which employment opportunity for all workers and for ghetto workers were declining in the central city. In which case you would have serious location problems. You could have a situation in which the white labor force for example, or the advantaged labor force, was moving out of the city faster than jobs were moving out of the city. In which case this would present a situation in which employers would begin to compete more actively for disadvantaged workers, and would essentially bid these workers away from the lower wage unstable kinds of jobs to which they now have more ready access. It is a trickling-down theory, although I wouldn't claim primary copyrights to it.

MEYER: Well, now doesn't it somewhat oversimplify what some of the more detailed statistics, such as those from the Tri-State study, show play a role. It also has some interesting transportation policy implications.

First of all, there are the composition effects which the Tri-State doesn't go into. What kind of jobs are being left behind; what kind of jobs are the people left behind capable of filling? On the transportation policy side, as the advantaged work force moves out you'd better be sure that you don't make it easy for them to get back in for the jobs, if your "trickle-down" approach is to work. You'd better not build any highways or improve any of your public transit systems. It's all very interesting. I'm not going to take any stands; I'm just pointing out the implications.

HAMILTON: Is the consequence of this trickling-down a pattern of job segregation that matches the pattern of residential segregation? And thus relieves the transportation problem? What kind of an objective is that to shoot for?

DOERINGER: I'm not quite sure I understand your question. Would you try me once again?

HAMILTON: Well, the differential rates of migration now seem to involve white workers moving away from the central jobs leaving behind the central jobs for non-whites who can't migrate out. So that leaves the whole central city to black residents and black employment, nearly segregated from the rest.

DOERINGER: Okay, I understand your question. First of all I'd say, that at least in my paper, I did not argue that it was a good idea to try to reinforce the ghetto and try to improve Negro employment opportunities by somehow locking them in with a group of jobs and locking out migrant whites from the city. I wouldn't recommend that as any kind of policy.

I would suggest, however, that if your objective is merely to improve income and employment opportunities for disadvantaged workers in the cities, one way of achieving that objective is to give them a labor market in which labor demand is growing faster than the supply of labor in the city.

HAMILTON: I agree with that, and the only reason I bring this up is that i may be too simple a solution. I think it does lead to a kind of segregation.

DEUTSCHMAN: Just to put in some numbers for discussion -- in New York City there are 400,000 low-income heads of households or 400,000 people we can call our labor force. (Low-income referring to less than $4,000 annual income.) But there are only 300,000 jobs. So we have a deficiency of 100,000 jobs and thus in order for people to get jobs they must to into the suburbs. And the mass transit system is oriented towards the core. So really, just from those numbers alone we have supporting evidence that the middle- and upper-income people are moving outward, but the jobs are balancing in the core. So at the present time there is a deficiency of 100,000 low-income jobs and we see evidence that this will increase in the future.

DOERINGER: May I ask a question on that? When you say you have a deficiency of so many low-income jobs, what you really measured is the difference between employment and total low-income labor force? You haven't tried to measure job vacancies of that kind? In other words, it could be possible that you had an equivalent or greater number of job vacancies, unfilled jobs in the city which weren't occupied and which therefore wouldn't how up in the employment figure?

DEUTSCHMAN: But we're talking about a magnitude of 300,000 and 400,000.

MEYER: Aren't there statistics on the jobs.

DEUTSCHMAN: Yes.

MEYER: Why don't you review that.

DEUTSCHMAN: The total unemployment figure for the Tri-State study is about 2% or 3%. But the low-income households that are unemployed amount to about 20%. So you really have a very high magnitude in potential workers. But it's again this mismatch of jobs and people.

KAIN: One of the things that struck me about your paper was that you devote about one sentence to the question of race and said, to paraphrase it, that column isn't punched in our punch cards and so we're going to ignore it. I was wondering if you thought you really can ignore it in that way and how that would influence the interpretation of these trip-length data and so on that you've reported. Don't you think that's important?

DEUTSCHMAN: Obviously we all know it's important. The story of why race was not put into the home interview goes back to 1961 and 1962 when there were some problems in New York City, and there still are. Governor Rockefeller's office suggested that race be taken out of the home interview since the interviewers had to go into Harlem and other tough areas. If the respondent somehow felt that race was being recorded, it would have been more difficult. We had a high nonresponse rate to start with and we wanted to avoid any kind of trouble with the respondents. So race was not asked and was not recorded so that obviously we couldn't infer it in any of the various tabulations that we had.

There have been other reports. I mentioned some figures from the census, that I aggregated, where I used the two variables, race and income, and did projections for the future of what would happen if the home ownership rate, for example, were the same between whites and non-whites. What would happen to the housing market? How many single-family homes would have to be built? What would be the transportation structure?

KAIN: I'm not as familiar with New York as you are. Would you describe the pattern of Negro residence in New York as random? Are they pretty uniformly distributed throughout the region?

DEUTSCHMAN: Well, we mentioned in the beginning, just to quote some census figures, that home ownership for Negroes was constrained with equivalent incomes.

KAIN: Yes, but the kind of question I'm driving at is, if you look at the racial composition of certain neighborhoods and the travel patterns and so on from those neighborhoods, wouldn't you be able to say something about the differential travel behavior of Negroes and whites? I mean, isn't Harlem kind of a black place?

DEUTSCHMAN: Right. Negroes are very highly concentrated in New York as they are in Chicago and in other urban areas.

KAIN: Can you tell us anything about how the travel patterns from Harlem differ from neighborhoods in Manhattan which have similar incomes but are white? Do you have any information like that?

DEUTSCHMAN: No we don't because race wasn't included in the home interview and therefore couldn't be included in any tabulations made basically from this study.

KAIN: But you can tabulate the people who live in Harlem?

DEUTSCHMAN: You can make some inferences. Actually this study was conducted on an aggregate basis, comparing such broad categories as New York City and outside New York City

A second phase that we plan on entering, and which we also have many requests for, is studies for subregional areas like Harlem and Bedford-Styvesant. What about the people who live there? Where do they work? Where do they live? It's a micro-analytical study of the area. But none of that is really reported in the paper.

KAIN: Do you have any hunches about how it would come out? How would these trip patterns that you have in your paper come out if you obtained comparable statistics for predominently Negro neighborhoods. Do you have any idea? Do low-income Negroes living in the central city have longer or shorter average trip lengths than low-income whites?

BRANDWEIN: Central city has no meaning for New York.

KAIN: Manhattan, fair enough?

ROSSI: What was the non-response rate?

DEUTSCHMAN: Well, let me clarify that. The initial home interview sent all the interviewer out and they had to receive a response within three days of the travel day. In other words, if a person wasn't in they could go back a second day and a third day, but the fourth day was no good. So initially we had a non-response rate in Manhattan or approximately 30%. You went back and reassigned the interviews a second and third time to upgrade the response rate to a respectable 85% or 90%. But if the initial interviewing, such as we did in the suburbs, had been a one-shot affair the non-response would have been as high as 30%.

I wouldn't want to really make any guesses or inferences about work trip length for whites or non-whites. It would seem that the non-white trip length would be shorter for equivalent incomes, but...

KAIN: In Manhattan?

DEUTSCHMAN: Yes.

KAIN: You say that there are proportionately fewer Negro reverse commuters from Manhattan to the suburbs than there would be whites in the comparable income groups.

DEUTSCHMAN: Yes.

KAIN: Do the Census data show that?

DEUTSCHMAN: The Census data don't stratify race and travel characteristics so that you can make an inference like that.

One of the difficulties in general, which you just pointed out, is that there really isn't sufficient data -- whether it's in a regional home interview transportation survey or a Census to really answer many of the basic questions. For example, the Census reports 100% of population, employment and related characteristics and takes a 25% sample of car ownership and travel. Yet, because of the magnitude of the data collection and the various purposes that the results are put to, there are very few cross classifications. Besides having very few cross classifications, the data which are collected on a micro-basis on a block or census-tract level are aggregated for reporting purposes, in that the finest detail the user can get (journey to work) is by central cities, municipalities, and counties. So if we wanted to use Census data in New York, for example, the best detail we could get would be counties, which is not very much detail at all.

KAIN: Peter, I think your paper had some data on commuting of whites and Negroes from the central city to the suburbs.

DOERINGER: Yes.

KAIN: Do those data support the kind of interpretation we've had?

DOERINGER: I didn't have any distance data, I just had in and out data. And this showed, for Boston anyway, and it's the 1960 Census data not stratified by income or anything, but it showed...

KAIN: It seemed to me it was one out of four.

DOERINGER: It showed that one our of four Negroes commuted from the central city to the outside as opposed to about one out of six whites.

KALACHEK: I'm not at all certain that concentration on the sheer availability of a job may not be pointing us in the wrong direction. Because I suspect if you exclude secondary workers, women who are domestics, and teenagers and older men, if you exclude them I don't think that anyone would be inclined to think that distance to work, unless you combine it with lots and lots of lethargies and lots and lots of personal and market deficiencies, that distance from work is the sort of thing that contributes 5 or 10 percentage points or anything of that magnitude to the Negro unemployment rate. And in some sense if distance really turns out to be quantitatively important, it may be more important in terms of the impact on earnings once one has a job than in terms of the probability of one's finding a job or one's actually looking for it. I'm also bothered by Peter Doeringer's optimism on the trickle-down theory, which it strikes me didn't really accord well with some of the facts he was stating earlier, when he as answering John Meyer's question. If in point of fact you do begin to get more of a movement of whites out of the central area, what you're going to be doing is reinforcing the pattern which currently exists. This makes it easier and easier for the high wage paying manufacturing industries and the growing manufacturing industries to move far out into the suburbs. This may mean a Negro has a higher probability of getting any given job within the central city but it also means that he has a higher probability of getting a job which is in point of fact more and more of a relatively low wage job.

DOERINGER: But that really depends on the employment that remains in the city. There is no absolute reason why a Negro or disadvantaged worker with any particular set of socio-economic characteristics should be in a particular kind of job except in terms of whom he is competing with for that particular job.

KAIN: I think Ed Kalachek's argument is that if you do get this kind of skill classification between low-skilled labor force and high-skilled labor force, there will be a strong inducement for firms that employ predominately high-skilled labor force to go where the high-skilled labor force is. Those firms that employ relatively low-skilled labor force, or have very particular location requirements, will remain where they are.

You may have seen the figures that I've developed for Chicago on changes in the location of manufacturing employment. If you imagine a line from the ghetto on the South Side of Chicago Northwest through O'Hare field, there were very large declines in manufacturing employment in the ghetto and very large increases north of O'Hare field. I think this kind of movement of industry would be quite inconsistent with the kind of behavioral model Kalachek suggests.

DOERINGER: Perhaps at the outset I should have labelled my optimism. First of all it is really a theoretical optimism to say that you can have a certain set of circumstances. I'm not convinced, John, that the location of business -- at least around Boston -- is very sensitive to relative labor supply; but despite my optimism, I guess I couldn't point to a city in which this theoretical classification in which I would be optimistic actually exists. I only suggest that you could establish a set of circumstances in which in terms of income and employment Negroes would be better off given the kinds of gross changes in employment and population which we see occurring in a lot of cities. But I think I would like to shoot down my own optimism on that point and say that I don't think in Boston in the long run that the ghetto is anything that will work to the employment advantage of its population. I think I would agree with Ed Kalachek that initially the biggest disadvantage, and I think you would agree with this as well, the biggest locational disadvantage to Negroes is in terms of income rather than employment. I think there are, at least in Boston, where deficient aggregate demand in the labor market doesn't seem to be a problem, that Negroes are not being barred from employment so much as being barred from the better wage employment which is going out to the suburbs.

KAIN: Is that the reason why they have a lower unemployment rate than they might?

DOERINGER: That Negroes have a lower unemployment rate?

KAIN: From both your and Ed's interpretation of this evidence, I keep expecting that either Negroes have the same unemployment rate or you've just ...

KALACHEK: Oh, no, that's not at all consistent... For instance, let me suggest to you that on the low vs high wage argument one could sort of explain unemployment rate differences in that fashion. First of all on the basis of reservation wages and second of all on the basis of the point that I think Peter Doeringer makes very well in his paper. That point is that in low-wage industries turnover is always an awful lot higher than it is in high-wage industries, for the obvious reason that in a good labor market you can generally quit a job which pays $3,000 or $3,500 a year whenever you feel like taking some time off and expect to find a similar job after a brief period of time. But a point you are well aware of is that without ever mentioning the word "transportation" for instance, without ever coming close to the word "transportation", one can find a variety of reasons why one would expect to find Negro unemployment higher than white.

KAIN: You're putting words into my mouth. I'm not so sure I am aware of all these things. I'm still disturbed by your insistance that the effects of the kinds of behavioral mechanisms that you have depicted necessarily have to be felt through lower wages on the part of Negroes rather than higher unemployment rates. I don't understand that distinction.

KALACHEK: If you combine distance from work with lethargies or information difficulties and above all if you combine it with the fact that some of the jobs in the suburbs may not be very high paying jobs, it can very clearly lead to higher unemployment. I never said that it couldn't. But, if we're talking about men who have to be in the labor market and who consequently may not have the type of reservation wages that women or other secondary force labor might, one might expect that the contribution of distance from work to the male unemployment rate would not be anywhere near the dimensions of say 3 or 4 or 5 percentage points. I'm saying that if the impact on unemployment can be quantified as probably small, the impact on incomes can affect a lot of people.

KAIN: Let me see if I understand this. What you're really suggesting is that the unemployment rate of Negroes would still be about twice that of whites. You're suggesting that this is explained by a higher level of frictional employment that really has nothing to do with any of the kinds of considerations that we've been talking about. So we can go home and forget about transportation.

KALACHEK: No, no, no. One can go back over a considerable number of years of data and some of this data as one goes back in time turn out to be poor and very suspicious. But one can go back to the beginning of the post-war period when after all this suburbanization problem was not present to any major extent and one would still find that Negro unemployment was higher than white unemployment. This simply says that one can find reasons outside of transportation for explaining high Negro unemployment.

Now, what's true in addition is that if you correlate Negro unemployment with white unemployment, there has been something of a time trend in Negro unemployment. This has occurred during a decade in which the quality of Negro education has been rising and during a decade during which we presume the incidence of discrimination has been going down. So the time trend turns out to be an interesting thing to explain. It may be that the journey to work may have contributed to this positive time trend in Negro unemployment. This time trend is most acute for teenagers. And they are one of the groups you might expect to be most adversely affected by the movement of jobs, of service jobs, to the suburbs.

What I's saying is that the unemployment among Negroes that you can attribute to transportation deficiencies is not zero, but I'm not saying that it comes close to being the totality of the explanation.

DEUTSCHMAN: I'd like to make one strong point right here. I don't think we're talking about oranges and oranges in the traditional sense. We're talking about Negro and white and we're talking about employment and unemployment. We're assuming that the same skills are there for the Negroes and if they work they'll make the same money as the whites, (this is implicit in the argument) and that there is greater unemployment for the Negro. I think there is greater unemployment for the Negro because in fact he doesn't have the same skills as the white and he won't be making the same money if he did work. So I really think that in talking about unemployment, per se, and in studing race and unemployment you really have to talk about equivalent income groups in order to form any basis for a solution.

Going back to the Census once again to put some light on the poverty question alone, and looking at the discussion which has been about race, the following data (from the Census) relate to the question of race and housing. For Negro households earning $10,000 or more, 20% in the New York Metropolitan area live in "substandard housing". For white households earning $10,000 or more, less than 2% live in "substandard housing". Really what I'm pointing out is that there is tremendous constraint residentially on the Negro. Even though he has sufficient money he is in many ways compelled to live in substandard housing and he is compelled to live in an apartment-type dwelling rather than to live in the suburbs or to live in private homes. And in talking about employment, it's really the mismatch of labor force and jobs that I feel is important. And the constraint of the Negro on the residential end is a problem. I don't think we can talk about the problem of unemployment rates because we're not talking about equivalent income groups or equivalent skills. So I really feel that we should be focusing in on the problem and concentrating on equivalent groups when we talk about white and non-white.

KAIN: Yes, a lot of our discussion here really has to do with problems of standardization. But you really have to make up your mind whether or not the limitations on Negro residential choice do aggravate the problems of obtaining employment and if this is part of the explanation of both the high unemployement rate and the low wages of the Negro. Much of the justification for our meeting here today, the reason why HUD is running a new transit line down Century Boulevard, and the reason why there has been a lot of public attention focused on this subject, is because of a presumption that the restrictions on Negro residential choice do add to the substantial list of factors that cause high Negro unemployment rates and low Negro incomes. It seems to me you really have to make up your mind as to which it is. It seems to me that it is very very hard to avoid concluding that these factors have some effect. The critical issues concern how serious a problem this is. Is this something that we need to worry about as a matter of public policy or is this something that we shouldn't worry about at all?

If you conclude that the restrictions on Negro residential choice don't really have an impact on their participation in the labor market, then you might as well forget about using transportation as an instrument to overcome this disadvantage. It really is very important to address yourself to this kind of question.

DOERINGER: Can I just respond to that? Maybe we've just been doing too much talking at this end of the table. But first of all, on the whole question of transportation -- whether it's important or not important -- I think you can't look at it for the entire country. What you've got to do first of all is to look at particular cities. And it seems to me that it is particularly evident here that the relationship between poverty and transportation is very different in Watts than in Boston, for example.

MEYER: Would you spell out those differences?

DOERINGER: Well, I guess the way I'd describe it, though I don't know anything about Watts, except what I read, is that you've got a very large ghetto and one which is more economically isolated from the surrounding community.

The size of the ghetto influences commuting time. The fact that is you are in the center of an area which is all black, has very little manufacturing employment, and is heavily residential, and all the new jobs are developing across town -- as I guess they are in Chicago -- you're not only talking about establishing a transportation network but you're talking about opportunity costs of transportation. You know, maybe the fastest you can get somebody out to where the jobs are takes two hours. Well, it seems to me that if that's the case, maybe you shouldn't worry so much about transportation but you ought to worry about Industrial Development Parks on the other side of Chicago or some such thing. So one observation I have is that you're got to pay very critical attention to the characteristics of the cities before you try to figure out...

KAIN: But you were going to try to explain to us the difference...

DOERINGER: Well, one of them was just the sheer size of the ghetto.

KAIN: Are the big ones bad or is it the small ones.

DOERINGER: Well, put it this way. I would argue that a large ghetto, if it's the Roxbury kind of thing, where it's not a geograhpical area which houses many jobs, is worse off than a small ghetto. It's really the relationship between where the work is and where the people are located.

KAIN. Is there any real evidence that the situation in Boston, where the development is taking place around 128 and increasingly around 495, is necessarily any worse than the situation in Watts, where it's taking place around Los Angeles International Airport and in the San Fernando Valley? I expect the comparative travel times from Roxbury to many of the developing employment centers around Boston by public transport and by automobile are as adverse as in Los Angeles.

DOERINGER: But you do have the South Shore.

KAIN: You are saying that people who live in Roxbury can get to some jobs.

MEYER: You have the industrial development along the Santa Ana Freeway, too, which in Los Angeles serves much the same purpose as the South Shore.

KAIN: Let me state the case as I see it. The real point, and Mr. Hamilton has been hinting at it, is that it is very hard, a priori, to see how severely restricting the range of alternatives available to a group will not have the kinds of impacts that we have felt with the ghetto.

The point that's important about the ghetto and important about this question of blackness and race in the employment access problem, is that the low income white can to a very significant extent adapt his residential location to workplace opportunities. If he is able to get a job in the San Fernando Valley or out on Routes 495 or 128, then it's worth it for him to move there and be near that job. On the other hand, there is a whole range of jobs that the Negro, given the existing patterns of housing-market segregation, can reach only at very substantial time and money costs. There is a very substantial restriction on the range of opportunities that is available to him.

In general I think that there are substantially more restrictions and a narrower range of choice for Negroes. One reason why I was emphasizing the findings of the New York study is because they indicate that the low income white employed in the suburbs tends not to travel very far. That is consistent with a lot of data and evidence that we've looked at. But the evidence suggests that this is not true for the Negro.

I think it is important for us to discuss to what extent we think this separation is attributable to a transportation problem and to what extent it results from a labor market information problem. Ed Kalachek alluded to this and I wonder if he, or anybody else, would like to develop it further.

MEYER: John, before we drop this subject, I think there is another point which should be made. Even if it's true that not one iota, not one-tenth of one percent of the Negro employment rate would be alleviated by improving the transportation system between their segregated housing apportunities and work places, as long as any of them are making longer, more tedious, and more costly work trips in order to link together their job opportunities and segregated housing, I think one can still make a case on public policy grounds for trying to do something about the public transportation system linking those two areas together. Even though one might concede all of Peter Doeringer's argument, one still might retain some very strong arguments for the HUD type experiments and demonstrations for bus systems.

DOERINGER: Let me make one more sally forth. You know, I didn't write a paper on transportation. I wrote a paper which was dealing with a somewhat different range of problems. And so I suppose I'm an outlander at this conference. But the way the two of you describe the transportation-place of work-and place of residence problem, I'd be crazy to disagree with it. And so, I guess I agree with it.

But for Boston, I would still maintain that a substantial part of the unemployment which you observe is teenage unemployment. And it's frictional unemployment associated with the process of changing jobs.

Now, I think that in part -- and I don't know to what extent -- the time out of work for any individual worker is likely to be longer because he lives in a ghetto. It would be longer than it would be if the disadvantaged population or the Negro population were randomly distributed in the Boston SMSA.

Secondly, there is a linkage or connection between the kind of frictional unemployment associated with job turnover, the frequency of it and its duration, and the level of wage rates. And if you believe -- as I think may well be the case even in Boston -- that the range of jobs which are available to the ghetto population (quite apart from their educational characteristics or their work-experience characteristics) tends to have a somewhat lower average wage rate than those available to the SMSA population as a whole, I think that this access to a generally lower-wage pool of jobs does lead to a more frequent turnover. And we do have data on the correlation between turnover frequency and wage rates. So the linkages to unemployment really I think goes through the wage rate more clearly than through sheer availability of job opportunities.

KAIN: I must admit it sounds to me like you're contradicting yourself. We have to ask whether in fact the ghetto access problem doesn't disadvantage the Negro either in terms of how many days of work he does a year or the wage at which he works.

DOERINGER: On balance the answer to that is yes. But I think that there is an important distinction between inadequate employment opportunities at the minimum wage or above and adequate but low wage employment opportunities. In the former case, you might talk about dividing the labor force clearly into the group that works and is fully employed and the groups where there are no job opportunities. And that's the kind of thing that is an inadequate demand problem. The other situation is where you have Negro workers who do work -- the same guy may work at three or four different jobs during the course of the year. The problem there is not that there are inadequate jobs available or even inadequate jobs at which he is willing to go to work for, but it's just the total utility satisfaction of compensation and working environment are not sufficiently great to hold him to that job.

And I think there is a logical distinction between having enough employment that people are willing to take for some period of time and put up with for some period of time and a situation where there just aren't enough jobs to go around.

KRAFT: Yes, but, the same job as one in the central city but located in a suburb -- other things being equal -- is going to be less valuable for the worker if he has to spend a lot of money or if it's difficult for him to get to it. So that transportation is going to play a role in his decision.

DOERINGER: But it's not through the vehicle of insufficient employment opportunities, but employment opportunities, inadequate ones, weighted somehow by quality of access.

KRAFT: It seems to me that quite a few of the papers here point out the fact that maybe once they get a job the transportation problem evaporates. But learning about the existence of jobs, going job hunting, becomes extremely difficult if you have to go into the suburban low-density industrial center. In an employment area like the Route 128 development, you cannot even walk between plants; in the ghetto or the central business district on the other hand, 10 or 15 potential employers might be contacted in the course of a day on foot.

DOERINGER: Yes, it affects the kind of sphere of job opportunity which a ghetto worker knows about or has ready access too.

KAIN: There was a short article in yesterday's paper saying the Roxbury-Route 128 bus will begin June 24. The "Employment Express", as presently scheduled, is expected to operate at a loss of $60,000 annually, but the concensus is that this is a small price to pay for potential community benefits, especially if they are helpful in providing a cool summer. Now, Peter, do you think that this is a waste of money?

DOERINGER: Well, I can tell you, by way of beginning, one little anecdote: this bus service had a predecessor that [illegible]ve the Raytheon Company ran as a special ad hoc transportation device to attempt to get some Negroes from Roxbury out to its Waltham plant. In the Negro community in Roxbury this bus was known as the "Black Congo Express"; and it was not viewed entirely with favor by the community.

KAIN: Did anybody ride it?

DOERINGER: They rode it. The people who didn't ride it were somewhat scornful of the people who did. But anyway, I think it's not going to do very much to "cool" the city down. I don't know whether the $60,000 deficit is worth it in terms of the direct results; I think it's a great experiment.

KAIN: Jerry Kraft talks about a system in his paper which I'd like him to tell us about; it sounded like it might be a good buy. But if $60,000 is a waste, then it looks like Jerry is proposing a waste of $3 1/2 million.

DOERINGER: John, John, excuse me just a moment. You asked me for a subjective opinion -- but I did not intend to say that I was making anything but a horseback judgment.

KAIN: Okay. So your horseback judgment is that $60,000 is a waste.

KRAFT: Well, they're just telling us what the cost would be and not what the revenue might be, and so maybe there will be less waste. During our study, we talked to several people who had experience with this sort of company-oriented bus service, using their own or chartered MBTA buses, and they didn't have great success. The first few days they would get a lot of riders, but after a while either the people would quit, that's the high turnover problem, or some of them would get together for form car pools. Once they got the job and met neighbors who were also working there they would get together and drive out. Now, even these auto trips may be tortuous with Boston's street system not being terribly good for many kinds of trips, particularly from Roxbury because of the general radial pattern. In particular, a warehouse in Natick had a tremendous amount of difficulty getting low-skilled warehouse workers. They provided a bus service from Roxbury and had almost door-to-door service (you just don't get that with public transportation) but they still didn't get a large number of people to take it and had to drop it after a short period of time.

KAIN: When we broke we had finally concluded that housing market segregation and other restrictions on employment acess were probably not helpful for the ghetto Negro trying to raise his income or to find a job.

In addition to a general discussion of this point, it would be helpful to address ourselves to the "so-what?" question -- what do we conclude from this? If we conclude that the problem of access is compounded by the problem of isolation of the ghetto, then the real question for public policy is whether transportation is really a tool that can make a difference or should we return to other methods and techniques.

There are two or three programs we could consider besides transportation. One of them would be general labor market programs -- manpower training, skill training, improved labor market information, and so on. This whole battery of manpower programs try to increase the worker's skill and to increase the competitiveness of the labor market.

Also there are what I've called ghetto job creation programs. Assuming the problem is one of high levels of Negro unemployment due to the movement of jobs from central cities and ghettos to the suburbs, the obvious thing to do is to bring the jobs back to the ghetto, and to subsidize steel mills, petroleum refineries, and other industry in locating in the ghetto.

MEYER: Those are randomly chosen illustrations...

KAIN: Carefully selected. If the problem is really one of the restriction of Negro residential choice, then we should move on that front with programs to reduce or remove this restriction. It's clear when we discuss these programs that no one seriously argues we should do all of one or the other. But I suspect that we all have our notions as to what are the appropriate weights -- what we should do the most of and what we should do the least of.

DEUTSCHMAN: Just a clarification. When we talk about transportation and poverty are we limiting it to the Negro or are we just limiting it to low-income? So far we have just spoken about the problem of the Negro. There are white low-income people too and I think you should generalize about that too in addition to the Negro low-income.

KAIN: I think our idea in organizing the discussion today was that we would address ourselves to the general questions of transportation and poverty in the morning and would focus more, although not exclusively, on the particular problems that arise from the restriction on the Negro residential choice this afternoon. This is not absolutely binding. But again, I would contend that the question of race, black and white, does introduce a special element into this discussion that makes the whole question of access to employment centers particularly pertinent; however, much of what we have said may have relevance to low-income groups in general. The important point is that there is very little evidence that other low-income groups in our society, i.e. low-income whites, have the same serious disabilities in terms of employment access as low- income Negroes. The New York data, for example, indicate that the low-income white invariably is able to move his residence to be near his job. This isn't always true and situations exist where it wouldn't hold, but the problem is of a different kind. I think that's the point that we are trying to emphasize this afternoon.

MYERS: I was very much interested in the trend the conversation was taking just before we broke, about employment information and the inadequacy of the information system. And I wonder how important that is measured against something that might be called mental immobility of ghetto dweller and urban villager in their residence. One of the important characteristics of the low income people I have observed is that, even after they have migrated from Lithiuania, they tend to get into a neighborhood and want to stay there. Somebody brings them to a job and that's the job that they take and that they work at. Maybe they quit and take another one but they don't go searching around and if they do it's for the same kind of job and in the same kind of place.

But, anyhow, I remember I worked at Greenpoint in a big factory which paid very low wages just before the war. People would bring their friends down to the factory and we would hire them. One day I asked one of them why he didn't walk across the town where it was perfectly plain there were other factories. And you know it just never occurred to these people that they should go any place other than where their friends had taken them. And my further observation is that this mental immobility is usually characteristic of those who don't have automobiles but I've yet to see it among those who do. I'm wondering if there isn't more to this business of job information and immobility of life itself.

SOLOMON: I don't have accurate data to back you up, Sumner, but when we were doing our background work for "Project Labor Market," we had a suspicion that even low-income people who did have cars didn't drive very far. We were able to get from one of the petroleum companies some confirmation of this in the form of gasoline sales data per capita by income level.

KAIN: I would like to reiterate the evidence that comes out in the New York data and which is characteristic of all the data I've seen. Low-income whites employed in suburban areas just don't travel very far from their workplaces, while Negroes employed in suburban areas, almost without exception, travel a very long distance from the ghetto. It's this evidence that leads me to conclude that we're talking about a very different kind of a problem. Low-income whites may have some employment access problems, and better transportation services for low-income population may increase their opportunities in society in general, but it appears that the transportation problem of the Negro is much more demanding and complex.

BERMAN: I was curious when you were isolating the possibilities -- you put on one track increasing the labor or occupational mobility by job training and such things. But if it's contingent upon the constraints imposed by housing restrictions, you still have these transportation problems, even if you are able to greatly enhance labor and occupational mobility. In other words, once you have a trained black worker unless you bring the job into the ghetto area you have to have some way of getting him to the job.

L. SCHNEIDER: That brings up a crucial point. Actually what should happen with transportation promotion is that the ghetto resident could obtain a job in the suburbs and the be able to afford a car or to purchase high quality transportation of one kind or other, whether it be express bus service, something like Sumner's system or taxi cabs, etc. But I think it would be cruel to have a system which simply transported people from the ghettos to menial jobs in the suburbs.

DOERINGER: There are two ways that people in the ghetto really get some upward mobility. One is, if they are lucky enough either inside the central city or outside in the suburbs, to define a career pattern by moving from company to company always in the direction of higher wage jobs. A very small number of people do that. And one thing that you might do with a manpower program is to tie the transportation system into a training program or some other thing which gets somebody into a higher wage enterprise more quickly.

Now, the second way is upward economic mobility within the enterprise. And as a kind of strategy I've got an idea that it makes a great deal of sense to try to concentrate on individual employers who are growing very rapidly and who have very long lines of promotion or upgrading ladders within the company, so that when you get a guy to make the initial move to a job he doesn't have to change employers to improve his job position. Instead he can move up inside a particular company.

KAIN: This is basically the trickle-up theory.

KRAFT: John, along this point, it would seem that before a Negro or a disadvantaged white is going to move his place of residence he would want to move to a fairly permanent job. So there still is a short run problem which has to be taken care of -- even if you assume that the ghetto resident really wants to move out to the suburbs, because he's not going to move before he gets his job. Furthermore he probably can't afford it until he gets a better job. You have to provide something for this short-run job-hunting process, whether it's in the form of public transportation or car pooling or something else, if you want to help the ghetto resident to move out. If the ghetto is the only place he can look for jobs because there is no good way to get to outside jobs, you make it more likely that he will stay in the ghetto.

ROSSI: These people make long distance moves without any job at the other end. They are tremendously mobile without the transportation system within the ghetto. This notion of a rather restricted mentality may exist, but there are for a large majority of these people great amount of mobility. And they do move.

KRAFT: But they are not moving to the suburbs, they are moving within the ghetto.

ROSSI: Yes. But we're running up against a phenomenon to which you are paying very little attention.

KRAFT: But it's not as hard for them to move there if they have something to move for. And housing isn't the only thing. It's the job as well.

DEUTSCHMAN: Once more I think we're talking perhaps a little too much on a general plane. Who are the low-income households? What's their identity? This may be the first question. From the Tri-State study we found that the 0-$4,000 classification, almost 40% of the households were headed by a female. So in talking in a general sense at least any program that's going to improve this low-income group better also be oriented toward better jobs and better opportunities for female heads.

Secondly, talking about Negroes -- I'll harp on this point -- and poverty and transportation, classifying households by race into whites and non-whites where Puerto Ricans are classified as whites, only 20% of low-income people are in fact Negro.

KRAVITZ: What about the percentage for the actual working years?

DEUTSCHMAN: I don't have that...of the income groups it amounts to 25-30%. I don't have the exact cross-classification between race, age, and income. So the point I'm trying to make is that in dealing with poverty you really have to identify the classes of people you're talking about. And any kind of program just can't be general in the sense that "let's bring this type of industry in or this type of industry out". You really have to talk about the segments that make up the population.

KAIN: That's exactly the reason why we tried to focus this session on ghetto access and the ghetto labor market. I am not suggesting that there aren't poor people other than Negroes, that other poor people may not also have transportation problems, that transportation may not be an effective policy tool for helping other poor people; but there are some very special dimensions to this Negro problem.

BRANDWEIN: I have the distressing feeling that we're discussing housing employment problems, and other global difficulties, but not exploring specifics of what might readily be done on the transportation front to meet them. Let me take a crack, in a very mundane way, at illustrating how some of the manpower people who really know little about transportation have endeavored to identify and overcome some transportation problems of the poor.

The first thing we've discovered in working with disadvantaged people, Negroes or otherwise, is that a goodly number haven't the vaguest idea of how to use the public facilities that already exist. So there is being built in to some of the work-orientation and training programs, in cities such as Chicago or New York, some guidance on how to get around on their often strange and frightening public transport system and how to use it to get to and from specific work places.

Secondly, there are cost problems. It's often just too expensive for low-income people to commute to training or a work place. This cost burden has been recognized and tackled by providing transportation allowances during training or by developing temporary transportation through car pools, pick up or other arrangements.

On the problem of distance, particularly in matching inner-city residents with jobs in outlying areas, we have found that a temporary transport system encourages trying out of job possibilities far away from home. The temporary aid is shortly replaced by entry into a car pool or other regular commuting pattern. Often too the job in the suburban area is used to obtain experience which then serves as a springboard for getting a job closer to home which formerly was unavailable because of lack of experience.

We've discovered too that a goodly number of the poor don't know how to drive, so that even if they have access to an automobile they are foreclosed from using such private transportation unless they get guidance and aid in qualifying for a driver's license.

A related, unbelievably common, problem in an area such as Watts is that a great number of persons have lost their license or are not allowed to get a license because they drove a car without one. They are excluded from getting a variety of jobs which require that you have a license to drive.

I cite these as very specific ways in which transportation problems and actions are linked to employment. If you want to examine, not just access to jobs, but broader relations of transportation and poverty, you find that lack of ready transportation often creates a type of locked-in immobility which strengthens the ghetto pattern. A major symbol of the transportation problem in a place like Watts is that half the youngsters have never seen the Pacific Ocean, just a short ride away. The inadequacy, not only of public transportation facilities themselves, but of awareness of public officials for steps to aid and encourage ghetto residents to use those facilities, have fostered some of this problem, some of the reluctance and inability to get around which closes off many potential economic or new residential opportunities which do develop.

It seems to me that these types of specifics identify elements of policy which, even if they don't answer all the larger problems, can enable us to get started on more tangible and sizalbe progress.

SUNDQUIST: Seymour has said a lot of what's been on my mind. It seems to me the trouble with taking this piecemeal is that transportation should be an element in something broader like an anti-poverty plan for communities, or a model cities program. It has to be incorporated into something because you have to link together the recruitment of the person and the training and the job placement and the job development and the transportation all in one.

MEYER: Has anybody denied that?

SUNDQUIST: No. But none of these studies seem to have taken place as a part of a broader study of employment recruitment or manpower problems generally.

MEYER: Wait a minute now. First of all, Peter Doeringer's study does address itself to some of these problems. On the other hand, you have the contrary arguments that have been waged here _sotto voce_, that somehow or other if you do transportation without doing all the rest of those things it won't have any impact. I think that's really what John Kain has been arguing against. But I think the same limitations apply, by the way, for many of the manpower programs; and I think that's also what John's been trying to argue. These programs clearly all go together as a package. Each part is subject to diminishing marginal returns, I suppose, if you do one of them without doing the rest. I think that's just the point we've been trying to get people to discuss: what are the relative returns from these different programs and what is the relative or best balance?

Unfortunately, nobody has done the necessary benefit cost calculations to answer these questions and I have the feeling that we are therefore arguing in a vacuum. Furthermore it's perfectly clear there's a high degree of complementarity or interdependence. The benefit cost calculation of the trnasportation program will be higher if it's coupled with manpower retraining and, vice versa, manpower retraining benefit cost calculations are going to be higher if they are done in conjunction with a better, or a better elaborated, transportation program. I think that this is the set of issues we should be discussing.

PERSKY: I don't know, maybe it's all sort of set within the area in which you work, but I would suggest that in looking at this question of how to recognize the larger issues what really becomes crucial is the nature of the broader plan itself. The implications for transportation are going to be extremely different depending on whether the broader plan involves a social policy of integration or one of ghetto "enrichment". The kinds of transportation plans that you would want to have go with the former pattern would be extremely different form the kind of transportation plan you'd be likely to consider for development of the ghetto as a job area. I guess some people have already heard this point, but it becomes very crucial when we consider a bigger package and yet we're not sure what the bigger package will be.

PARSONS: I'd like to say a word about that because I think there is no clear cut conception of the policy on the desirability of perpetuating the ghetto as an integral sub-system of the urban community. I think this is a thing that cuts at least two ways. And it may be that a long-run short-run distinction would be helpful. I have a certain suspicion that in the longer run the same kind of thing ought to happen that has happened in the other ethnic concentrations like the Irish in the North of Boston. There are hardly any Irish left there now and they are all in the South part of the suburbs.

But for the time being I think there is one danger that ought to be thought about; namely, a kind of brain-drain in the ghetto, where the better qualified, the more leadership-oriented types move out, leaving behind the least qualified and the least employable. Now, I think Mr. Deutschman spoke of the evidence that there were considerably higher income groups living in the ghetto than living outside. And partly this may be because they are so discriminated against outside that they are forced to remain in the ghetto. But I doubt if it's only that. It's probably also that they feel they are a part of the black community and don't want to segregate themselves from it. I think the whole matter of leadership in the black community is terribly important. This is the positive side of black power. It is a bid for organization. I think there are possible opportunities as a parallel system of using urban politics as a way of getting organized in this community, a parallel...

MEYER: This gets at some of the questions I was going to raise this evening. But since they are out now, let me make a few comments, because I think they open up a whole set of unanswered and important questions.

One thing you could argue, for example, is that if you provide better transportation from the ghetto to suburban jobs, one of the products might be that after you get people to those jobs in the suburbs they will want to move to the suburbs. Now, it s beneficial if you are looking toward integration of the society, bit it's detrimental if you re worried about inducing a "brain-drain" from the ghetto and losing some of the ghetto's leadership.

On the other hand, you might argue that providing better transportation will make it easier for the ghetto's leaders to stay in the ghetto and to live there. Even as they upgrade their jobs these leaders will still live back in the old community because they have better transportation.

Another thing that can be argued is that the whole problem of linking improved transportation access together with manpower improvement and similar programs is all misdirected. The people you expect to get the jobs out on the Route 128s and around O'Hare and the International Airport are the very best trained and the most capable of the ghetto dwellers. These people are already prepared and will immediately take advantage of improved transportation to enlarge their job opportunities. But then you say this is all misdirected because they can get jobs back in the ghetto as well. Let's insert another trickle-down theory here. As the best trained and most talented ghetto dwellers move out and find jobs in the suburbs they open up jobs in the ghetto for the less trained. Maybe the thing we should try to do then is to think about the manpower porgram for the less mobile, for the people who are left behind in terms of job opportunities.

There are a lot of possibilities and a lot of interactions on these different problems about which we just don't know much.

HEIN: One of the things you seem to be assuming is that job opportunities exist outside the ghetto to which you can transport people. We ran a very hasty survey. What interested me is that, from our point of view at the State level, (New Jersey) the demand for better transportation does not come from the ghetto residents. It comes rather from employers of the ghetto residents or the potential employers of the ghetto residents.

We ran a check on this and we found that the type of job opportunities for which the employer said they had transportation difficulty had an average wage of $1.85 an hour. Where there were job opportunities and no evidence of having transportation difficulties the pay averaged $2.50-$2.60 or something like that.

DOERINGER: Well, that's very simply explained. Essentially in the suburbs as in the city you have a spread of bidders for labor from top to bottom. And it's always the guy at the bottom who's hardest pressed to get people and who's always looking around to the State Government or anybody to write a plan to give him some people from somewhere.

HEIN: It raises then in my mind the question, an I really providing a useful service by improving transportation to that job.

DOERINGER: Well, I think so if you couple that with a program designed to induce the employer to hire people with the characteristics of the disadvantaged. Here I have in mind the kind of "MA" program in principle, though not in design, that the labor department is currently running, whereby growth employers and even employers with a relatively static employment opportunities will be able to provide job opportunities. They do have job vacancies as a result of growth or turnover and what you have to do is to find a scheme, a manpower program, a subsidy of some kind, which induces an employer to hire somebody whom he personally considers to be disadvantaged in the sense that the qualifications of that person are lower than the qualifications which he would normally require for filling this job.

MEYER: Well, what are the facts of this situation? Are these low paying employers finding it more difficult to satisfy their demands if they are located near the ghetto or do they find it more difficult if they are located outside? There has to be some evidence on this.

KAIN: I think we're coming back to the question of what is it we are trying to accomplish. If the only thing that we're concerned about here is getting the Negro a $1.45 an hour job, then a subsidy of suburban employers may not be advisable. On the other hand, if there are positive benefits to society from increasing the amount of contact between the suburban job centers and the ghetto, then some positive subsidies that help to reduce the isolation of the ghetto are very good public policy. Again I think this comes down to some judgments on what are the complementary benefits and costs of these programs. If we simply ask, to what extent are we justified in assisting low income employers located in the suburbs in competing against employers located in the ghetto, then I think our goals are very doubtful. But if we can recognize the very substantial advantages of breaking down the isolation of the ghetto and of providing some inducements to open up the ghettos to employment, then transportation, very likely in conjunction with some of these other programs, becomes an attractive program.

MEYER: Well, there are different kinds of transportation too. If what you really want to do is to build or maintain segregated communities (e.g., as a way of building a political power base in the ghetto and getting at other problems) then you should probably provide good short-distance bus transportation and continue to emphasize the conventional subway or high performance in-town transportation system. You should also aim at building up job opportunities and even subsidize them to come into the ghetto or into locations well served by the existing transit facilities. That's ghetto-gilding, in a sense. And ghetto gilding on a large scale is gilding the whole central city. That's one solution and it has certain advantages.

On the other hand, if your solution is to try to break down segregation patterns, then longer distance transit services and re-orientation of the bus services and the kinds of things HUD has been subsidizing with its demonstration programs are likely to be beneficial. Much depends on your objectives.

IZZARD: I want to raise a few questions neither of which has any relations to transportation. One question arises from a comment that I heard a member of SCLC make in Washington, D.C. about outright gifts. The poor people are saying that they don't want these low paying jobs. They don't want to be domestics. They want to get the high paying jobs and they want them now. And this is one thing you're going to have to confront. This is one of the reasons why you're not getting poor people to come out to the jobs, the menial jobs, on 128. That's #1.

And then the next questions is this. I've picked this up from talking to my daughter who has a colored woman who comes out to work for her. She comes from a distance and it takes her an hour and a half to get there. She is looked down upon by people in her community in the ghetto area of Washington for doing this kind of work. Many of them earn more money by not working because they are on welfare. That's another policy questions.

KAIN I'd say the whole question of the nature of the cities in our society is a crucial issue, but one we probably shouldn't get into this afternoon. But I will make one observation about the special disability of the Negro.

IZZARD: But what I'm talking about is this mental idea.

KAIN: Yes, but then we talk about the disability of the Negro. A menial, low-paying job that takes five minutes to get to and doesn't cost anything is likely to be a good deal more attractive than one that takes two or three hours a day and costs twenty or thirty per cent of what you earn. When we talk about this question it's always the margin that's important. What's critical about the Negro in this instance is that these limitations on his choice systematically reduce the attractiveness of a lot of jobs, without getting into the question of how attractive they would be in absolute terms. Without having to address the general issue of the incentives of our society, I think that point is quite clear. The various kinds of measures that we're talking about tend to operate on that margin and generally will have beneficial effects in encouraging people who might not want to work if it didn't net them any money to work.

KALACHEK: Look, John, in terms of whether it does or whether it does or whether it doesn't let me answer it this way, which is sort of an elaboration of what John Meyer was asking earlier. Will it have an effect or will it not. What is the marginal return on different sort of investments? It strikes me that there's almost no profit to be obtained in sitting around and talking about the issue. The only way you can ever find out what the return is from enabling a Negro go get to a low income job more easily than he could otherwise is in point of fact to set up a demonstration program and then to observe very closely what happened. You can argue this sort of thing a priori in three different directions.

KAIN: Well there is some evidence if we want to get down to that. I'm all for experimentation and demonstration programs and have pushed them for a long time. I know that we aren't going to get conclusive answers to a lot of these questions until we conduct some experiments. But at the same time, there is evidence that restrictions on residential chocies do operate in the way we've been discussing. We can't explain exactly, for example, how much of the apparent loss of Negro employment in Chicago or Detroit arises from the processes we've been discussing, how much is due to skill deficiencies, how much is due to transportation, or how much is just ignorance of what the world is like out there -- particularly whether there are any jobs. But there is evidence that this collection of influences does have an impact.

MEYER: Let's get right down ot it. Let me focus the question just a little more sharply. It seems to me there is really only one question before the floor right now. And that questions is -- please excuse me for putting it in economists' jargon -- if you take dollars of public money and you allocate them in different ways toward working on the margin of improving Negro income and work force participation, which allocation will have the best cost-effectiveness performance? Is it going to be by putting it on manpower programs, retraining programs, information programs, transportation programs, or various kinds of vocational training? It's also clear, as I thought I said earlier, that these marginal returns will probably be greater if you don't push any one to diminishing returns. You should push on several or all of them at once. But now the question is what is the best balance? In what composition of programs will we get the best returns? Can some of these programs be eliminated now if on the basis of early demonstration returns we find they just aren't productive at all?

ROSENTHAL: I'd just like to pick up on that. There has to be some distinction made -- some activities can be necessary for the success of the whole without being themselves things which demonstrate any great utility. In my naive way I know a lot more about manpower than I know about transportation, except that if you can't get to a job the ability to do it is irrelevant. There are no returns from the ability to perform a job which exists in a place at which you can't be. And at least in part the decisions about the kind of training should be for on-the-job training. Of course the ability to transfer bodies to such a position becomes very very crucial. Now, if you decide in some other interesting cross method study that on-the-job training is a great way of paying for a certain thing then certainly consideration of transportation is an integral part of the aggregate to make these activities cause skepticism, because of the moves involved. The ghetto population really doesn't trust the employer when he says, "We're going to take you out here every day and we're going to train you to do this job", because they think when it's over you're going to leave them back where they were and the job won't be there. So maybe you have to do the training there in the ghetto and leave it up to them to find their own way into the existing market, which you're supposed to be working on with other policies. Then the transportation decisions will be different. They won't be specifically linked into training activities.

The point is that there is only a limited role for transportation, depending on how you set it up, in the issue of jobs and employment and employment mobility. The whole point of transportation is to achieve a mobility in terms of expected aspirations, and a whole bunch of other things. And those kinds of things were raised slightly this morning and not pursued. But certainly some kinds of activities have implicit in them the function of transportation as essential to the activity.

To my mind demonstrations are, relatively speaking, cheap. They really are cheap in relation to the kinds of things we've been talking about. They are even less risky because you can run the bus over one block and if they don't like that they can then run the bus in circles. And at least part of that has to do with the issue of licenses and whatever. But you are dealing with a population for which ordinary activities are no solution to the transportation problem itself. Maybe you've included them because of the institutional arrangement .... you're looking for good small businesses that are functional and yet he may in dealing with a question that's not transportation but is something else, he may not be able to get that kind of mileage out of this. And there the cost-effectiveness returns are sort of low.

MEYER: Let me insert a disclaimer. I didn't mean to unduly narrow the discussion. I do think we ought to com back to the extremely important questions, which are broader and more sociological and political in character, of what kind of a ghetto do we want or do we want a ghetto at all? What do we want to do about promoting ghetto political leadership and so on?

As a first approximation, however, there is a lot to be said for addressing ourselves to the fairly narrow question of how to shape public policy to improve the labor force participation and income earnings levels of people in disadvantaged circumstances.

L. SCHNEIDER: You said two things I think of as a point of departure. You said labor participation and then in the very next breath you said earnings.

MEYER: I think the two are very closely related. But they are not exactly the same thing.

SCHNEIDER: But this is where we've got to take our stand again, isn't it? We can decrease the unemployment rate in the ghettos by in effect creating more sub-employment. I think it's not only decreasing unemployment that we seek, but increasing earnings.

MEYER: That's what I was trying to suggest earlier.

KAIN: I'm afraid some of that can be terribly misleading. I'm inclined to think that in most instances if you move from unemployment to sub-employment you've make a gain.

SCHNEIDER: Not necessarily.

KAIN: I'm a little worried about this notion that it is desirable to turn everybody in the ghetto into electronics technicians. If we talk that way we're going to overlook a lot of very important programs that can operate very effectively to increase Nego welfare.

SCHNEIDER: Nobody's saying that at all, If the aspirations are there (and the reason we've got this conference here right now, is the guy in thestreet is worried about these problems) they just don't want to go our on a janitor's job.

Even in the paper right now it says that on Route 128 they are looking for about 3000 jobs, many of them requiring little skill. The questions are really one of compensation and opportunities for advancement.

KAIN: Some of those unskilled jobs on Route 128 are fairly highly paid.

SCHNEIDER: That's all right. And I'll go along with that.

MYERS: How highly paid?

MEYER: They come about as high as you'll find for the general category of, what is it, operatives?

DOERINGER: If you're talking about the category of job that a ghetto worker is going to be able to get in three months or four months, you know really a short term sort of thing, on 128 you are talking about jobs paying $2.00, and in some better cases I think $2.00 and a little bit of change. You haven't got the heavy industries in Boston, for example, that pay high wages for unskilled labor.

MEYER: But by the standards of operators jobs in the greater Boston area I understand that these are not bad jobs.

DOERINGER: These aren't bad jobs. But basically one of those things that even ghetto workers are aware of is that they have to start somewhere. And there is not so much a reluctance to start at the bottom as there is a reluctance to start at the bottom in a job which is always going to be a bottom job.

SCHNEIDER: $2.00 an hour is $4,000 a year.

KALACHEK: Yes, but why should we play God on this sort of thing? In a sense if you create a job at this level and if in point of fact a man is going to go from unemployment or outside of the labor force and into that job, then it strikes me that it is an act of sheer audacity to say that one has not improved the position of that man. Now, there are some people undoubtedly who have very high reservation wages, but the test is do jobs at that level in point of fact get filled? If they get filled we may wish and we may work toward jobs that have career orientations to them. But I think we've still got to admit that filling that job is better than leaving a man outside the labor force or unemployed.

SCHNEIDER: It's true. But we've been looking for these marginal questions.

KAIN Again we come down to what we're really concerned with here. If the only thing preventing significant numbers of the ghetto labor force from getting these jobs is the lack of access, and we are able to devise programs with some kind of reasonable cost-effectiveness to provide that access, and those jobs get filled, and people leave unemployment for employment, we have made a substantial gain. That's the point.

MEYER: Incidentally, let me make another point, a technical point that's fairly important. I slipped it in before but I think it's fallen by the wayside. I didn't talk about unemployment rates at all and it was a quite deliberate omission. I never once said that the legitimate goal should be reduction of unemployment in the ghetto, because I don't like unemployment measures. I talked about labor force participation, and I'd rather talk about labor force participation and total employment and earnings levels than about unemployment.

DOERINGER: John, look, I would suggest an alternative kind of objective function. And that really is to talk about income gains, whether you want to take a family or an individual. That's a way of catching both employment and the difference between low and high wage jobs.

The nice thing about this approach of using the family unit is that it seems to me that the way a lot of low-income families have gotten out of poverty in recent years is by the use of a secondary worker in the family. And using the family unit allows you to design programs to catch both primary and secondary wage earners in that unit.

MEYER: Plus some moon-lighting or two jobs for one wage earner.

PARSONS: There are two very obvious categories who earn less than $4000 who are really poor, namely aged people who are quite capable of working and yet among other things they cannot forfeit social security by doing some work, and the other of course is married women with children.

FLOYD: John, the issue we have been talking about did come to a head in our demonstration project on Long Island in Suffolk and Nassau County. There the bus services were being set up to link various poverty points on the Island with the industrial parks. Potential workers were being guided to these services by the OEO financed agencies who had established close ties with employment welfare organizations on Long Island. In this particular project, the demonstration itself had been promoted by some of the industrialists who couldn't get enough unskilled people. Their starting wage levels were $1.55 per hour and $1.65 per hour. They were mostly smaller industries which had moved out fairly recently from the Bronx or from Brooklyn, family enterprises, possibly struggling to get established in a new situation. The OEO agency took the position that it would not refer anyone to these particular jobs. Even though transportation was being set up and operating, it wouldn't cooperate in the project unless starting salaries were at least $2.00 an hour. What they've been trying to work out is to encourage the firms either to raise their starting salaries or to start upgrading, with starting salaries to $2.00 or $2.10 in the near future.

HEIN: To what extent were those transport facilities actually used? Did they generate real use?

FLOYD: Not in the beginning; they have only been running for five or six months. In my paper I apologize for the lack of data. They are carrying less people than we anticipated. I would say it is in large measure because in the early stages the OEO would not place people on them. At the same time, it is a difficult problem for the employment agencies.

BRENNER: The conference title "Transportation and Poverty" suggest that there might be questions on the competition for the general purpose dollar between transportation expenditures and what one might call poverty expenditures. For example, what should the allocation of the transportation dollar be between general transportation goals on the one hand versus other social goals related specifically to the process of alleviating poverty. I raise a question in this context because I sense during the course of the meeting so far a feeling that there is a limited role, if any, that transportation can perform with regard to alleviating poverty. Possibly the poverty problems are so overwhelming that transportation cannot help.

Let us assume that transportation can help. What should the transportation investment be with regard to achieving some gains in reducing the problems of poverty, even though this might produce a less than optimal transportation solution for other socio-economic groups in urban regions? The question I raise is whether our transportation systems of all types--transit as well as freeways--are being designed deliverately so as to reduce the poverty problem. Stated other wise, do we treat the alleviation of poverty as a forcing function in the design of our transportation systems.

I place this question before the group, and suggest that we should ask ourselves if the transportation dollar should be allocated in fact to alleviating poverty--by bringing jobs within reach of ghetto residents, for example.

KAIN: Just to summarize a little, I think the consensus this morning was that the expenditure of the transportation dollar has been regressive in its income redistribution effects and that if we are going to continue to maintain that bias, the best way to help poverty would be to reduce the total transportation budget. I hope that we will begin to address this point at this evening's meeting.

BRENNER: I was not aware that we had arrived at that conclusion.

KAIN: I think there was a strong element of consensus. Tonight will be a more appropriate time to discuss this issue and solutions more generally.

BRENNER: But how can the transportation question alleviate the ghetto manpower problem?

LINDSLEY: One thing that I wanted to mention was some of these studies, let us say the studies in Watts. Watts is primarily an automobile-oriented area. The results of studies there might not accurately reflect what might be a good solution in the New York area like Harlem because it is served by a subway system and those domestics who commute are paid their transportation in addition to their wages. My wife taught in Harlem for three or four years and I was very interested in the composition of her classes. Sixty per cent of her children were born in the South, this is in the elementary grades, and 50 per cent of her children did not come back the next year. There is a lot of transferring around within Harlem and perhaps these children just went to different schools in Harlem, but there is not the static situation in a Harlem ghetto that sometimes people assume. People come there simply because they know someone and then they go to Bedford-Styvesant, Brooklyn or the Lower East Side. So that there is a continual dispersion. I tried to sift out what would be the in-migration into New York City and I gather that something like 20,000 families a year come into Harlem. They did not have it broken down by particular areas. This is a key factor in keeping the Harlem ghetto the same size. They have to provide this amount of movement in order to make it easy for people to go outside and integrate. This is a way of solving the real problem of the urban ghetto, which is actually misnamed. I feel that it is a dump because a ghetto is very much structured. To a great extent, I feel that we try to ignore the ghetto.

BERMAN: John, I am distressed, too, when I use the term of "transportation and poverty" and I am even more distressed when they come and ask the question of how the transportation dollar is going to be spent to relieve sub-employment in the ghetto. As I understand it, there are basically two strains here. One implies that the transportation part of it is irrelevant--that we should just forget about transportation and let it just take its own course. In that event, do not worry about how we spend the transportation dollar since you are not aware of what it will do.

The other strain suggests that transportation in some way has to be integrated with, say, manpower programming. Whether it operates independently or is managed by the manpower people there is that very strong belief that if you train a person for a job when that job is out on Route 128 and the worker is in Roxbury, you have to get him from Roxbury out to Route 128.

It does seem to me that we ought to begin to take one of these tacks and proceed. If the transportation aspect is totally irrelevant, we can pack up and go home because really is not any point in working on that. If, on the other hand, transportation is important then I think we ought to focus on exactly where we spend the transportation dollar.

KAIN: I think that I would interpret much of this afternoon's discussion quite differently. Over the last couple of years a lot of discussion and comment has been generated about an employment access problem from the ghetto and about high levels of Negro unemployment, or sub-employment being, in part, due to the isolation of the ghetto, to the adverse changes in urban structure that have been taking place, and to the poor systems of transportation serving the ghetto. This is almost conventional wisdom as we stand here today.

I think the discussion today has brought out that we really have a poor understanding of these problems. No one can really say with any authority just how important transportation is in any particular instance. We need to develop much greater understanding of the issues. Any transportation programs initiated to deal with these problems of low incomes, of high levels of unemployment, of high levels of sub-employment, or of low levels of participation, ought to be designed in conjunction with, and well integrated with, other programs that deal with the labor market. That is the way I would interpret this afternoon's discussion.

BRENNER: And what is the transportation investment data where these answers come out?

KAIN: The other conclusion I would reach is that unless the Department of Transportation is willing to meet with Labor and OEO to honestly tackle the problem of ghetto transportation and improving employment access, they should not be trying to peddle transportation programs as solutions to the problems of poverty and the ghetto.

DOERINGER: I would like to make one suggestion. I suppose it is just another gimmick, which is what most of these program proposals are these days, but if transportation were just another kind of "good" and you were only concerned with the social benefits of this sort of thing, they you would try to sell it on the market. Then the market mechanism would operate and eventually take over the planning responsibility for the transportation services.

Now, one way that you can get some coordination and try to get some experiments and also some sense of priorities about how to interlock the transportation services with the employment services, I think, is to join with the Labor Department on some of the employer programs that it is now sponsoring. What I have in mind here is to essentially assign people to an employer by a bid or a contracting process, or label degrees of disadvantaged with a price tag so that, for example, the man with two years of high school education who is black, and who has been unemployed for 14 weeks is worth so many thousand dollars in subsidy to the employer who raises his family income by so many points. You know, if you set up essentially a bidding system in which you leave it to the employer to figure out how he is going to recruit people out of the ghetto and how he is going to train them and how he is going to get them out there and hold them on the job, then you have got one person who has been pretty imaginative in the recruiting and training business having control over the situation. The Transportation Department can put in some cash if the employer wants to run some kind of a transportation system with other employers in the area. Essentially you are saying to one person that he is going to have ultimate responsibility for employing an individual, raising his income--he does the job, figures out how it is going to be done.

BRENNER: I think at this point you are talking about the process and the principles and problems that are involved rather than the methods of implementation. And I sense that the principles that will be involved have not yet been identified.

DOERINGER: I am speaking to a particular problem and I am suggesting a mechanism by which you could find a solution to that problem which does not presuppose a particular mix of instruments to achieve the objective. I would suggest that some employers may be able to do as much by opening up a neighborhood employment center and recruiting heavily as some other employers may be able to do with a slightly lower wage rate or a less attractive job coupled with a bus service. It is really a way of decentralizing the responsibility for meeting a particular objective and allowing a kind of a market mechanism to define the mix of instruments by which you achieve this method. Transportation could well be a piece of it.

BRENNER: What kinds of compensationprinciples will we insist on in the society. That is the real issue. You can say that you cannot do it because the bus drivers would get mad. If they have monopoly rents, the question is what right do they have to those monopoly rents? If we decide that they have some rights then we have to figure out some way to compensate for them. In the same way if you say we do away with the Medallions--they bought those for $30,000 in good faith--perhaps we have to work out the compensation for that. I think we really have to distinguish between what the effects on transportation services would be, what the level of utilization would be, what the level of employment would be and then worry about what happens if we start deteriorating some privilege positions. That is what we are talking about.

MEYER: This evening we will discuss explicit solutions. What we have been trying to do this afternoon is to talk about where transportation and poverty interface, that is, linking up people who are less than fully employed with a potential job in a more meaningful way. We were trying to bring out that it is a bit more complex probably than just simply running a bus from Point A to Point B; that there are a lot of other ramifications and complexities in the labor market that we should know more about before we jump in too boldly.

DOERINGER: I do think that the problem is complex and there are, of course, interrelations between the transportation programs and the training programs and job information systems and medical programs and educational programs and health programs. But, in addition to their being complementary, there are also substitutions which you can make. I think that there are trade-offs between more heavy, more intensive recruiting and better transportation systems.

MEYER: Exactly. That is what I was trying to bring out.

DOERINGER: I am beginning to think as the day does on, and the disagreements go on, that in addition to the fact that in particular cities the optimal mix of these services varies, for particular enterprises, for particular establishments, the mix may well vary. I do not really peddle manpower programs, but I think it is really possible that we may still be looking at too large a unit in this policy area, and that we may need a unit that is more responsive to the needs of a particular work place and also to the needs of particular groups within the ghetto. Both these units have to be considered rather than just the city or the central city vs. the suburb as a unit for analysis.

MEYER: Let me be very explicit on this. I think that if we had conducted a meeting on the subject of poverty and urban transportation and we had spent all the time just discussing how we could best allocate the transportation dollar for alleviating poverty problems we would be terribly remiss. One of the main reasons for this afternoon's scheduled panel was to raise the possibilities that you should spend less on transportation in some places and more on other things, and perhaps vice versa. At any rate, the question should not be just how you allocate the transportation dollar. It ought to be how you allocate public funds in general to meet this particular problem.

MYERS: I feel myself that the transportation dollar is not going to do what has to be cone to alleviate the unemployment or the under employment problem. Having said all that, the fact is that there is a transportation dollar and it is going to be allocated. This is why this question has so much meaning to me--in fact, it has been allocated and in many ways it has been misallocated.

MEYER: That is what this morning's session was all about.

MYERS: But, it is not going to solve the world's problems. That is what the Washington system was all about; and if the Washington system will, then the New York system will. All of these are concerned with getting people to and from work so that they can hold a job.

MEYER: That is precisely what this morning's session as all about. This evening we are going to come back to more explicit solutions within the transportation framework. Although even there I am going to make some effort to keep it a little broader than strictly transportation problems.

KAIN: I should point out to everyone concerned with doing careful cost-benefit analyses, that we have reached the point where each additional minute we expend on formal discussion reduces the number of minutes that we have available for informal discussion. I propose that we adjourn.

TRANSPORTATION AND POVERTY CONFERENCE

June 7, 1968

THIRD SESSION

American Academy of Arts and Sciences
280 Newton Street
Brookline, Massachusetts 02146

BLANK PAGE

TRANSPORTATION AND POVERTY CONFERENCE

June 7, 1968 - Third Session

MEYER: Our third session is to deal with solutions. I would like to briefly summarize the kinds of solutions to what we might call, very loosely and broadly, the urban transportation problem as it relates to poverty. Some of these solutions were suggested earlier and the rest are included in the papers prepared by the panel.

Let me list them for you--I have eight. The first of the suggested solutions has not been adequately defended today. It is to relocate jobs in the ghetto as one way of bringing jobs and workers closer together.

The second solution is just the opposite. It is to have more relocation of the ghetto dwellers to more dispersed locations. To put it under a more general heading, I would call it more relocation assistance in general and include here housing desegregation, rent subsidies, and minimization of relocation costs.

A third solution which is adequately defended and more than adequately explored in the papers of this panel--we find it even creeping into otherwise unrelated discussions such as that of free transit--is that of helping people acquire more private transportation.

A fourth solution, rather thoroughly investigated in some of the panel papers, particularly Miss Rosenbloom's and Sumner Myers', and has to do with expanding the supply of taxicabs and jitneys in our cities. I put the two together because the line of distinction between them is very fine, although there certainly is a distinction. But as one begins to think about taxicabs, one is fairly quickly led into thinking about jitneys.

A fifth solution is to consider the reorganization and reorientation of public transit to better serve new work locations. This, of course, is with what the HUD experiments and demonstration projects have centrally been concerned. Tom Floyd's presentation and paper are very much concerned with this kind of a solution.

A sixth solution is to make transportation a free good.

The seventh solution is what one might call the trickle-down theory; that is, to expedite the withdrawal of whites from the central city to open up more central city jobs for the poor and minority groups.

An eighth and final solution to theproblem is to deny its existence. This, carried to an extreme, would be to argue that all unemployment in central cities is due to the inferior education, discipline and so on of the people who live in central cities, and has nothing to do with the fact that the unemployed are in any way disadvantaged in terms of access to jobs.

The world urban policy is often broken down into two compartments: those who want a gilded ghetto and those who want ghetto dispersal. I would argue that these are not necessarily mutually exclusive.

As we look at the different solutions it is easy to point out their different implications, as to whether they are ghetto consolidating or ghetto dispersing. Furthermore I think that it is useful to make the distinction that Professor Parsons suggested between long and short-run programs. An obvious example of a long-run "ghetto gilding program" would be moving jobs into slum areas. Free transit proposals might be similarly classified, especially if the free transit proposals are tied to maintenance of the existing transit network (as these proposals usually are). Another example of a long-run consolidating or gilding exercise would be to expedite the withdrawal of the whites--the trickle-down concept where we try to create the central city as a sort of special preserve, political, economic and otherwise, for minority groups.

I think one can identify three short-run programs for ghetto gilding quite readily. All three of these basically have as their aim an increase in mobility. The first of these would provide assistance in private transportation. One also could characterize anything to expand the taxicab-jitney type service in the ghetto as a short-run gilding process. Reorganizing and reorienting public transit to better serve new suburban work locations also falls into this category. The reason I say all three of these are really short-run programs is that I think it can be argued that by providing increased mobility, which all three of these programs do, one has sown the seeds of eventual dispersal. Mobility programs certainly do not do much to lock up the ghetto, at least against the will of the residents.

The programs that are immediately ghetto dispersal in orientation are these that offer more relocation assistance, provide rent subsidies and so forth.

Again, these solutions, whether ghetto gilding or ghetto dispersing, are not necessarily mutually exclusive. Many of these programs can be conducted simultaneously--sometimes they will be somewhat inconsistent, but others, on occasions, could be highly complementary to one another.

Having said all this, I should like to address a few questions to the panel in general. We have largely not discussed the practical aspects of these various choices. They vary in their relative capital commitment, for example. They also vary significantly in their reversibility if they are unsuccessful or if they tend to produce the wrong urban form by one standard or another. This leads to the question of what is our real objective in these matters. Do we want dispersal? Do we want ghetto gilding? Do we want flexibility? Or do we want to sustain and develop programs that are relatively inflexible or irreversible?

DOMENCICH: I am thinking about which of these eight programs provides the most flexibility. It seems to me that they are the middle group--providing more private transportation, increasing the supply essentially by easing entry for taxis and jitneys, and reorienting public transit to serve the ghetto better--establishing new routes (assuming these new routes are bus routes and not rapid transit routes).

MEYER: Why don't you tell us in five good sentences why free transit is not a perfect or obvious solution? You ran off some interesting cost figures in your paper. Will you summarize them and tell us what the costs are of free transit as compared with some of the other programs. I think they are very illuminating.

DOMENCICH: First of all "free transit" is not a solution to anything for two reasons: one is that the evidence that I have seen. The findings of our own model building and the results of changes in fares where they have been studied, imply very strongly that fare changes are not an important incentive to use. They do not increase the use of transit very much and they do not divert much traffic from automobiles. Second, free transit is particularly bad from the standpoint of the accessibility of ghetto residents to job opportunities because in most cities the existing route and transportation service serve the ghettos very poorly.

MEYER: To get to the flexibility question. I thought one of the outstanding findings of your paper was that there are many dimensions to the cost of transit and only one is the fare one pays. Time, in particular, is important as are service characteristics in general. In your observations, improving service and reducing the time cost seemed to have a greater impact than fare reduction.

DOMENCICH: Within that, there is a simple distinction between time spent in the vehicle and time spent out of the vehicle, such as walking to the station, transfer time, waiting time, walking from the station to the destination. It is the out-of vehicle time that is particularly onerous. If transit ridership is going to be increased it appears that improvements in the collection and distribution system are much more important than increases in speeds. That is the thing that makes easy entry into taxis and jitneys and more private transportation particularly interesting because they get right to the problem of door-to-door trips. I would like to make one comment about ghetto accessibility. There has been a lot of talk here about the accessibility of, say, Roxbury to Route 128, which, in a sense, is a rather extreme example. There are more common examples--a person trying to get from Roxbury to Somerville. It is a very difficult, time-consuming trip. It involves three or four transfers; and in Boston if one is not transferring from one rapid transit line to another there is an extra fare. So, it is both expensive and time consuming.

I am not quite sure about the "more private transportation"--there has been a lot of talk about that. As I look at the evidence, particularly Sumner Myers' paper, of giving cars, I think its justification depends to a large extent on some concept of car pooling; and if one goes to car pooling, I find jitneys a much more logical extension than two people sharing a car.

MYERS: I was figuring on $70 million for free transit. It would be possible to give 70,000 households free cars at $1,000 per household, if I have done my arithmetic correctly. That is quite an extensive number. John, do you know how many Negro households there are in the Boston area?

KAIN: Fewer than that. I seldom use private transit myself, but I did have occasion to be in downtown Boston at noon the other day, in an automobile, driving, and I am staggered by the idea of adding even 10,000 cars to that stream, let along 70,000.

MEYER: You are assuming that they all go to one point--which is a big assumption. If they all do, then you get a bus service and do not need the cars.

MYERS: I would like to interrupt to correct a mistake. I do not think we should use the word "give" because I do not believe we should give cars to anybody.

DOMENCICH: If we are comparing the cost of free transit to giving cars, I prefer to give cars. If we are talking about putting in very good bus service, we are talking about a very small fraction of $70 million. We came out with something like $4-1/2 million for very good service from Roxbury, East Cambridge, South End, North Dorchester.

MEYER: You were costing out the HUD type of solution; increasing the public transit from these areas.

DOMENCICH: One other point. In costing this out, I had always, in thinking about dispersed job opportunities, had the idea that we were talking about a situation of many origins to many destinations. In Boston there are a relatively small number of origins, so the collection part of transit service is quite simple, taking a sweep through a couple of neighborhoods which are not large geographically. There is more dispersion at the destination end of the job trip. We found that if you located about forty employment centers, which themselves are not very large geographically, you can encompass an awful lot of jobs. So I think that jitney routes and bus routes serving a fairly compact origin to a relatively limited number of compact destinations is not terribly expensive.

ROSENBLOOM: John, I would like to get back to the original question of what are we trying to do. That upsets me because is it really important what we want to do or is it important what "they" want to do--that nebulous "they" who live in the ghetto? If we do not adopt a solution that fits their needs or wants, it is clearly useless. I think we have to approach it from the sociological viewpoint and try to understand what people want. Do they want to get out of the ghetto? Or, as in the new Black Nationalist movement, do they want to stay in the ghetto and adopt African names and Afro haircuts--it may not fit in at all with our middle-class values but isn't that their right?

MEYER: To raise questions such as these is exactly why I wanted Mr. Rosenblatt on the panel!

ROSENBLATT: I would like to second that comment with great vigor.

MEYER: But let me add to that comment. I do not think it is quite that simple. The appeal of ghetto gilding runs well beyond the Black Power movement. It hooks together some of the strangest political aliances I have ever viewed. I do not think it is strictly a matter of choice for those within the ghetto--unfortunately, perhaps.

ROSENBLATT: That is true. Someone before spoke of the Black Congo Express where you foist a well meaning program upon the ghetto but they reject it because it was foisted upon them because they did not have any part in the decision making process. I have only our experience to speak from but in that case it seems to be that all the solutions are given from above. We are talking here about what we want to do. Do we want to disperse the ghetto or do we want to gild it? We have polarized it to that extent.

MEYER: Let me give a contrary example that refers to the Watts area which is not known as one of the more passive ghettos. There is a very interesting statistic on the so-called Watts line--the Century Boulevard line. This one is not at all resented. It is very much considered to be "their own" line and one of the notable ways in which this is exemplified is that it is almost the only bus line in that part of Los Angeles that did not have robberies or muggings. The line has also been subjected to relatively little vandalism.

FLOYD: I will have to correct you. This was true until sometime last fall and then there was a rapidly rising crescendo of robberies which eventually reached one per day during November. The same thing happened there that happened in Washington, D. C. and also in Baltimore. The police intensified their activity and the robberies have dropped off to almost nothing again. I do not know what conclusion to draw from that.

MEYER: My figures were obtained on a visit to Watts last summer.

FLOYD: It was true at that time that it was the only line in the area that was not experiencing robberies.

MEYER: I do not think there is any conclusion to be drawn on the basis of subsequent events.

ROSENBLATT: It seems to me that in the papers this afternoon in particular there was a bunch of good ideas but that we are ignoring a good resource, which is our client. Certainly we can come up with some good ideas--our ideas would be richer. Perhaps there are a lot of things we are not considering that we could consider by consulting them--and more importantly--our experience on the Inner Belt road about giving the populous an institutional role in both formulating and implementing the plan. As it is now, the Belt is going on a line only three blocks away from a line where it would affect only 10 per cent of the people. The problem is that this particular community does not have any institutional representation. It cannot really state its case. It it had stated its case and lost in some sort of larger democratic process perhaps it would be a fairer alignment.

MEYER: I will not elaborate on the political processes at work there but I consider the Inner Belt a marvelous illustration of what I was saying about self-determination being only part of the situation.

ROSENBLATT: But it is a part that is ignored.

MEYRS: We started talking about freedom. Among the most important freedoms that I can think of is freedom of choice.

Frankly, I am not sure that providing individual transportation and the personal mobility that goes with it is gilding the ghetto. I am beginning to like the idea of providing individuals with the opportunity to have cars (not giving them cars free) because having a car does give this freedom of choice. So what if people use that freedom to have some fun--by driving to the beach, as well as to work. I still think that to the extent that poor people can pay for their joy rides themselves without hurting anyone else, they should be helped to do so. The point is that helping the poor to have automobiles helps them to have the same kind of freedom as the non-poor have.

Best of all, this freedom can be given without requiring too many major institutional rearrangements. You may even end up with a job jitney system without a big administrative apparatus. If two or three people ride together in one car, what do you have? You have a jitney, don't you? Only it is called a "car pool". The difference is that instead of having some institution owning the vehicles, the poor themselves own the vehicles.

MEYER: Than you, Robert Moses! Perhaps I should say something about our (Myers and Meyer) plan. We call it Cars for Domestic Peace. The name originates from the fact that, tongue in cheek, in a discussion of technologies for less developed countries, I pointed out that on the basis of cursory examination of the number of Model A's and other antique cars being used as taxicabs in Monterey, Mexico; Lima, Peru; and other parts of Latin America, that we should clear out our junk yards by putting the junk automobiles on all the empty banana boats going back to Latin America and auctioning them off at dockside. This is consistent with broader American aid policies; it is like the Food for Peace program where you give away surplus wheat and other agricultural produce. Why not give away surplus junk cars in the same way? I therefore dubbed it Cars for Peace to parallel the Food for Peace Program. I had my tongue pretty well in cheek throughout this discussion. Sumner heard it and we had a subsequent discussion in which he pointed out that if this is a good idea for less developed countries of the world, how about trying it in less developed regions or areas in the United States. Why not stimulate more private car ownership in the slum areas of the United States? I said we would obviously have to modify the name and that is how the "domestic" got in there. Cars for Domestic Peace it seemed to us, was the right name for this program. I should add that we had all sorts of elaborations about credit cooperatives, auto rehabilitation plants, and making it a part of the Model City Program. The possibilities looked particularly good for Houston or Los Angeles which have low to medium densities and for which designing public transit is particularly difficult.

ROSENBLOOM: Can I say in light of what I said before, and what Sumner has said, that I was a bit alarmed to see my paper placed under "Solutions," as if it really were. I am not sure that it is and if it is I would only say it is a solution which, if put into effect would give a choice--would give a freedom to ghetto residents. I think I tried to make clear in my paper that I only see it as something extra, as taxis are extra to bus lines. I would see the jitney service operating where bus lines cannot operate and the resident who can get a job either because.....

MEYER: I think you are overestimating the competitive capabilities of those buses, but go ahead.

ROSENBLOOM: Perhaps. Perhaps it could not be a completely free market and that would be something we would try and see in a demonstration. But if it were so, if the buses could continue to exist along the lines they do now, and the jitneys could be put into operation and the taxis allowed to act in an unconstrained market, then a worker who could get to a job, save money, buy a car, could move to the suburbs. Fine. If he would like to stay in the "gilded ghetto" that is fine too. I have Negro friends who make a great deal of money who will not move out of the area adjoining Watts because they feel it would be deserting their community and they have a great deal of disdain and disrespect for those Negroes who "make it" and try to move out, deserting the community. The taxi and jitney solution would leave this choice open. I would never propose this as the only solution.

MEYER: Don't undersell your solution. All these are partial solutions and when I talked about complementarity between some of them I meant to indicate that. By way of scaling the potential importance of your scheme, I think you ought to tell us something about the employment implications that you calculated; that is, if cities around the country had Washington, D. C.'s relaxed attitude towards entry into the taxicab business.

ROSENBLOOM: Well I do not know if I could run through all the calculations right now but simply: let us assume any one of the restricted cities were to obtain two and one-half times the number of cabs. That is the very simplest, because two and one-half times the drivers is not the same as two and one-half times the number of cabs --a cab usually implies more than one shift. A city like New York has 11,000 cabs. Even if you take just the number of cabs and multiply it by two and one-half, you can see the implication of just how many people you can hire. These are low or semi-skilled jobs. If you have a cab company and employ people you are going to run into the same problems the cab companies are running into today and that is why I cannot see that just allowing companies to expand the cab industry is going to do anything at all. But if you do encourage this market of individual cab drivers as exists in Washington where a cabbie can work parttime to supplement another income or a teenager or college student, any type person who wants to work parttime or wants to work 14 hours a day if he so desires, can drive a cab. I think that you will get people coming in, people who will work those kinds of hours, if they have the potential to try to make more money. Of course, some people will not make the money and will not pay their loan. There will be foreclosures but that would occur anywhere I would assume and I think it would be a rather low percentage. The Washington situation indicates it would be a low percentage.

MEYER: Cabs are licensed in Washington, Sandra, you know.

ROSENBLOOM: You lease a cab.

DEUTSCHMAN: The biggest assumption implicit in raising the number of cabs and/or dirvers to the two and one-half times its present status is that is there a need or demand for taxis and this is a question that really needs to be examined.

MEYER: She has examined it.

ROSENBLOOM: I have also written another paper in which I went into the demand for taxis in greater detail; but I just could not put it all into one paper and I just referenced my first paper.

We have done some extensive studies on this and while I do not claim that they are conclusive it does seem that there is a great deal of demand for taxi service in almost every American city where supply is constrained, which is every city over 50,000, except Atlanta, Honolulu, and Washington, D. C. If nothing else convinces you, the price of the Medallion, which is now $30,000 in Boston, should. I had it at $27,000 in August of last year--it has gone up $3,000 in six months. That is a good indication that someboyd sees in it a good deal of excess or monopoly profit.

MYERS: That is not why the Medallion prices are high--and I know whereof I speak. My brother was in the cab business here in Boston--it is because people are buying themselves jobs. These are people who, for one reason or another, cannot work with bosses or want this particular type of thing. They have some money.

ROSENBLOOM: You mean that there is a city full of people who can afford to put out $30,000 just for the privilege of not working for somebody? There has to be a demand--at least enough to cover the cost.

MEYER: The final irony is that the restriction on the supply, which has its sources usually in the depression mentality of the 1930's, does not improve taxi owners' and drivers' income. All it has done is artificially create capitalized values.

ROSENBLOOM: It does not make any difference who receives the monopoly profit if someone is receiving it.

FLOYD: Aren't you in reality suggesting though that the way to improve transportation service in the city is to depress the wages, the income of those people who provide it.

ROSENBLOOM: I am saying that their income will not be depressed.

FLOYD: Aren't the returns, the earnings, going to drop.

MEYER: She has some evidence and so do some other people that the earnings of the drivers is not all that different insituations like Washington where entry is unrestricted from other situations.

FLOYD: I am comparing this to transit. Whom are you diverting this patronage from--from transit, from auto users, or from what. It might be just a lot more travel and it also might divert a great deal. Among the transit unions there is a tremendous amount of opposition to the jitney, taxi, or service car concept, as mentioned in St. Louis. It down-grades the wage scale and has an income effect. If this is true, aren't we asking them to subsidize the cost of providing better transportation.

ROSENBLOOM: Perhaps I am underestimating the competitive effects of the jitney. I had not found out about the St. Louis experience. If it does take away passengers from some bus lines; perhaps some bus drivers have something to worry about. Perhaps we ought to remember that total employment is not going to change. One of the most important costs of public transit now is the driver. His wage goes up every year and there is no reason to subsidize the people who are making $8,000 to $9,000 a year, with all their insurance benefits, at the expense of people in the ghetto.

MEYER: What I was pointing out is that you are making a conscious choice about the wage level in transit. You are stating, in effect, that you are paying them too much and ....

DOMENCICH: Not necessarily...

MEYER: What does a typical taxi driver earn.

ROSENBLOOM: About $110 a week.

MEYER: He does earn less than the typical bus driver. A great deal less.

DOMENCICH: Insofar as you are providing additional service to the ghetto which is not now provided.

FLOYD: Whom are you asking to support this additional service to the ghetto-- in effect you are asking the driver to pay for that.

DOMENCICH: Not if the transit system does not serve the ghetto now.

KAIN: The real issue is how wages in the transit industry are determined. If they have nothing to do with the labor market conditions for that kind of labor then, in fact, you are right. On the other hand, if the wages in the transit industry depend upon what transit workers can earn in alternative employment (at least over a somewhat longer run period), then there is no problem of this kind at all. This could only be true if the transit union has managed to acquire some particular kind of monopoly power. Transit, as a declining industry, does not strike me as the kind of industry where the unions should have huge amounts of power of this kind.

ROSENBLOOM: I have a feeling that public transit is just that--public--it is owned by the city and as such many drivers are, though they may be members of public allowed unions, civil service or merit employees.

MYERS: I would also like to make a point that seems to get lost in the shuffle. I simply cannot imagine a public transportation system devised solely for the poor. If it were successful, such a system would go out of business right away because the poor would become rich and buy cars like everyone else. More likely, the system would just never get enough patronage to make it worthwhile because there are not enough poor people to support a system big enough to take them every place they may want to go.

This means we must direct our attention to those kinds of systems which serve the needs of the rich as well as the poor because the rich have got to help support the system with their patronage. A system that is very much needed is one that would do a better job of serving a pattern of transportation that plagues the poor who do not have cars--that is, one that could serve the diffused travel pattern. That is why I come back to the automated jitney concept; it is supposed to handle that kind of travel. There is no assurance, of course, that it will work. But, of all the things to try, it seems that this is the one to push hardest on because if it does work, it will pay off for everyone, rich and poor alike.

MYERS: This is true, but only if the ghetto resident is running a car pool--not if he is trying to make a living by transporting people. If a ghetto resident is going to make a living off the people he transports, his passengers must share the cost of their dirver among as many riders as possible or else the fares will be too high. As long as you have one passenger per cab, cabs will be expensive.

ROSENBLOOM: Automating includes the cost of the driver--which is very high. Whereas from the ghetto area the driver does not charge anything. You do not have to share the cost of the driver among the several riders; all you have to share is the cost of the operating expenses if the ghetto resident owns the car or if they all lease it together. This is why I wanted to differentiate between what they call on the Watts project the "job jitney"--hopefully to be driven by a ghetto resident--and what we at General Research call the "Geni Bus" or the "Dial-a-bus" run by the computer, where the computer enters as an important cost too.

MYERS: Again, when a ghetto resident owns his own vehicle and takes people to work with him, he is running a jitney service only it is called a car pool. I would encourage car pooling in the way I have suggested. Car pooling is fine for certain kinds of trips--especially work trips. But if you want people who cannot drive to be able to get to places other than to where the car owner happens to be going himself, you need some kind of public transportation system. I have said in my paper that an automated jitney would make the conventional public system perform better in low-density service.

KAIN: This sounds a great deal like a system we have in Belmont. When I want to go to the airport, I dial a number, someone answers, and I say I want to go to the airport at 7 o'clock in the morning. In the morning a driver picks me up and drives me to the airport. This is called a taxicab. It is critical to note that the calculations in the paper illustrate that where there are no restrictions on entry, there are lower cab fares and very much higher cab usage.

MYERS: But you do not have good transportation service generally. For example, in Washington, you just cannot count on getting a cab in my neighborhood in the morning. Maybe you will get one and maybe you will not.

L. SCHNEIDER: Many ghetto routes are the most profitable routes of the bus company. Sparse routes are not usually in the ghettos but beyond.

MYERS: Of course, you must look at more than the line that goes through the ghetto; if a ghetto resident cannot go anyplace except where that particular line takes him, it is not very useful. The point is that line has to link up with other parts of the transportation network to get people to all other places they may want to go.

L. SCHNEIDER: I am saying what does take place and why the ghetto busses make money now on even a ten-cent fare. If you do put in a jitney or other type, I would venture to say that it would have a drastic effect on transportation. You have the basic problem of controlling levels of service. You also face the question of compensation. I have a student this year who wrote a paper on the taxicab business in Boston from a managerial point of view. He also found that the wage level of the taxi driver was not particularly high. I think Tom's point is correct that there will be a transfer here. John's question is whether this is good or bad. The historical fact is that the taxi drivers have not been able to organize nearly to the same extent as transit workers.

MEYER: Let me press you a little. Say the profitable bus lines are where you say they are, and I think you are right--they are in high density, very often lower income neighborhoods, so-called ghettos. And the unprofitable lines are out in the low density areas of the suburbs. If we had gone the route of freer entry and adaptation in the 1920's, what would have happened to those central city bus lines? There might even be better public transit service in those profitable areas today.

HEIN: Do we know, in fact, that if we did increase the number of Medallions and taxis available, that these would, in fact, serve the ghetto area.

ROSENBLOOM: We do not really. Of course you cannot make people go where they do not want to go and you cannot make them go where they do not make money but the two drives, prejudice and money, may conflict and if a driver can make money in the ghetto, he may decide to go, whatever his emotional reaction.

HEIN: There are a lot ob black taxi drivers who will not go to the ghetto.

ROSENBLOOM: Certainly, and I think I said that in the paper, but if there are more Negro taxi drivers, they might be less afraid. I cannot solve that problem and I do not pretend to really understand how we are going to solve the problem of attacks on bus and taxicab drivers.

MYERS: We have a solution, but you have to join the system. There is a device being worked on now--a vehicle locatory system--which presumably will locate the vehicle and in the case of trouble can get a police car to you within a minute and a half.

ROSENBLOOM: Just because you are an independent driver does not mean you cannot pay for a service like this; such drivers do go through Boston's ITOA. The whole point of expanding the taxi industry is if there are more drivers and they are actually competing with one another and they know that there is no one place they can go in the city where passengers compete for them, you are going to force the cab driver who wants to have a profitable operation to go where there are passengers. If the driver does not get to downtown first, he is going to have to go farther and farther out.

HEIN: In a city that is not regulated, like Washington, do you think ghetto residents get adequate transportation?

ROSENBLOOM: We have some indications that they get better cab service than they do anywhere else.

MURPHY: These taxicab drivers live in the ghetto.

HEIN: But still in Washington if I go to a ghetto area I am always told by the taxi drivers how lucky I am that he is going to make this trip, that he is not going to get a return fare.

ROSENBLOOM: That is the point. If we allow group riding in cities where it is not allowed, which is most cities, and the taxi driver knows that there is a chance that he will get at least one passenger or several passengers from the ghetto area who will share the cost of a taxi back, he will not be so reluctant to go. That is the reason why airport fares are so high and why cities have to grant franchises at the airport. Nobody wants to go out 10 or 15 miles to an airport on the edge of a city and then have to come back in without the guarantee of a return fare home. I do not blame them. If you could give drivers some assurance that there might be passengers at the other end they will be far more easy to convince.

D. BERMAN: One thing on the jitney concept. I have spoken to a lot of people in the Roxbury community and certain other black communities who feel that at least this would allow black people to affect the transportation demands of their own people. One of the objections now is that they are not plugged into the transportation making scene. At least if you have general licensing of cabs and jitneys the black people can compete in the marketplace to have their transportation needs met and I do not see what the injury is by trying. If you do not get enough jitneys, you are still free to put in public transportation, but at least by opening up the market you have a chance for black people to enter the field without any extensive liabilities except for the potential injury to the public transportation system. This injury may be slight since the public transportation system is not responsive to the demands of the black community, so I do not really see where the injury comes in.

MEYER: Let me make one observation similar to something said earlier. It is easy to exaggerate the impact of jitney and taxicab systems on bus demands requirements. To some considerable extent the volume of transit jobs and number of buses are determined by the peak hour demand. It would be my guess that jitney systems would only make a marginal impact on these peak hour transit requirements. It would probably cut them some, but it would not cut them markedly.

MYERS: In fact it might help the bus company to the extent that they are suffering an over-demand at that time.

MEYER: It might balance their load better, and thus cut costs.

DOMENCICH: What do you do about people who have just bought a Medallion?

MEYER: That is a very real problem. I once did a calculation that came out to something like $300 to $400 million to buy out New York City's supply. That more than exhausts Tom Floyd's budget for several years to come!

FLOYD: I have a feeling in talking about Sandra's idea that there has been a bit of a tendency both around the table and in the audience to argue about whether the specific concept is right or wrong rather than to try to identify in it the ideas that make some sense. I do not know whether she is proposing this as a specific solution, or whether she is just opening up the question of a service which is more responsive to user demands, where there is easier market entry, where there is a little bit more free enterprise at work, the chance of taking the car home at night, or some other elements. These are some of the critical elements that I found particularly attractive. There runs through this a thought that has not been brought out here; that there might be a lot of merit in replacing existing big bus transit on certain kinds of existing routes--low service routes for example--and narrowing the service area of regular route transit to corridors with high densities where you can maintain high speeds. I think if we try to pull out some of those elements and then take some of the ideas from "dial-a-bus" we begin to put together something that to me is very attractive and a possible solution. The one thing that does bother me as I emphasized before, is that whether it is right or wrong I have the feeling that you are finding a particular solution there that asks some people that are doing the driving right now to absorb the burden of the loss. I know you do not mean that but I would prefer to look for solutions that ask others to absorb more of the burden.

ROSENBLOOM: I still do not agree with that.

MEYER: Let us not let him get away with this. Let us put the onus right back on him, because, if expanding the supply of taxicabs and jitneys undermines a few public transit driver's jobs, your dial-a-bus systems where you make buses into taxi buses might work in just the opposite way of imposing some burdens on taxicab fleet owners and taxicab drivers. If you make the bus more competitive with the taxicab by making it into a taxicab type of service, there is at least as much chance that you are going to cut into taxicab demand as expanding the supply of taxicabs will cut into buses.

MYERS: The point is that you do not cut into the labor cost--you do not do it by reducing the salaries of the people who are driving the vehicles.

FLOYD: What you are really trying to do is increase productivity per input of man.

MEYER: Yes, unless your demand expands somebody is going to pay the price. There is at least as much chance that you will get this negative impact or incidence on one group as there is the other way around. The argument is symmetrical and I am willing to argue that the chances of imposing a burden or cutting back on the total number of taxicab jobs are greater by going to the dial-a-bus system, which I think is a good idea, than the chances are of really imposing some serious burden on the bus drivers by the reverse system of expanding the supply of taxicabs.

MYERS: I think you have put your finger right on the central question. I would expect that if you cut taxi fares to roughly a quarter of what they are now, the demand for taxi-like service would expand.

FLOYD: Let me give you an example that sums it up. Sandra referred to it in her paper. It is the Washington, D. C. minibus experiment. There were two approaches you could have taken there. You could have done even more than is now being done in D. C. to open up and reduce the price of taxis, thereby improving circulation for low income people and others. Instead we moved in a different from of transit, a rapidly circulating system for five, now ten, cents. From the point of view of the driver, the wages were kept up. Now it is true that there was diversion from taxis. What did you report?

ROSENBLOOM: Four per cent.

FLOYD: Eighteen per cent.

MEYER: That was a very special niche of the market.

FLOYD: I am just giving that as an example.

ROSENBLOOM: Minibuses and taxis by four per cent if I remember correctly.

MEYER: But that was a very specialized thing and was not really competing.

ROSENBLOOM: And that was just in the CBD.

MEYER: But it is nothing like the dial-a-bus concept would be.

FLOYD: Absolutely, I agree.

MEYER: But you do admit that this thing works both ways. You have impacts.

FLOYD: I do but I think the incidence is better....

MEYER: You mean you think taxicab drivers and owners are less important and less sociallyresponsible as people than public bus drivers? Now that is an interesting proposition.

__________: I just want to say something. It is not an argument, it is just evidence. We have already made representations to a certain company which shall remain nameless. It is a cab company and the idea is to try this system out and just who do you suppose is most interested in this kind of system--the cab company.

MEYER: You mean the dial-a-bus?

__________: I am talking about the dial-a-bus. They can systematize themselves and be bigger than they were before. They have the franchise but they are not doing it for their health. They are not doing it because they think it will drive cabs off the streets since they have the monopoly for the whole town.

MEYER: But that is just a different concept. If you put the public transit system into the jitney or dial-a-bus business, which I think is a pretty good idea in many ways, and get transit operators out of their low density operations as Tom Floyd just discussed, I think that there is a lot of merit in that. I think that it is a good idea and that it ought to be explored. We ought to have some demonstrations. But I do think that we are kidding ourselves if we believe that in mounting those demonstrations we are not likely to cut into some taxicab operations and that we are not likely to hear some complaints from them just as we would hear from some bus drivers if we mounted an expansion or taxicab or jitney service.

KAIN: The important point is that monopoly rents are being earned every place in the system by taxi owners and by transit drivers. Any policies that make the system more competitive and increase entry are going to reduce these monopoly rents. Still it cannot be denied that when you do the arithmetic as Sandra has that removing these restrictions on entry would lead to a big expansion of employment on improvement in service and a reduction in the cost of transportation. Then the issue becomes one of recognizing the existing assets held by taxi owners, drivers, and the like. The real question is what kind of compensation will we insist on? To say that you cannot do it because the bus drivers would get mad is just not helpful. What right do they have to those monopoly rents? If we decide that they do have some rights, then we have to figure out how much and what way to compensate them. We should determine what the effects on transportation services, level of utilization, and level of employment would be and then worry about what happens if we start deteriorating some privileged positions.

MYERS: You know listening to all of this I am more and more convinced that the best route to go is the private car route.

KAIN: You still do not avoid any of these principles.

MYERS: If owning private cars starts reducing the use of taxis among the poor, taxi drivers might, of course, scream. But what are they going to scream about--that poor people are owning private cars like everyone else. Or that the poor do not want chauffered transportation anymore. I cannot imagine that such screams will have much effect.

BRENNER: There is another issue that this group might consider with regard to the alternatives which relate to providing the poor with private transportation such as taxi and jitneys. Under the provisions of the National Traffic and Motor Vehicle Safety Act the Department of Transportation is to issue safety standards for vehicles in use. We have been conducting some background work in anticipation of this requirement; a statutory report on the subject is now in preparation. Several issues are abundantly clear; namely, that the old cars are the ones in most need of repairs, and such old cars typically are owned by the poor people. If we as a nation adopt the policy of insisting on a higher level of safety qualities of vehicles being used, we will be imposing a repair cost burden upon the lower income groups of the population. We might be better off to move into some sort of job-jitney or the taxi system, that in some fashion shares the higher repair cost burden that, with the adoption of used vehicle safety standards, will be unavoidable. We cannot have a higher level of safety for vehicles in use without imposing a very substantial repair cost burden on the lower economic groups.

KAIN: This is the air pollution problem. It is exactly the same thing. The higher income population who value their lives more highly and who value the air they breathe more highly are passing legislation against the poor.

BRENNER: I think the quality of air problems is similar to the problem of faulty braking performance.

MEYER: In connection with taxi systems, there would be a reduction of entry regulations, assuming that you found some way of getting out of those capitalized values of the Medallions. The capitalized values of the Medallions are not that great everywhere. I can suggest some ways out virtually without cost.

KAIN: You mean you are going to devise a sneaky way so that people might not realize what is being done.

BERMAN: It has been suggested here that the effects of competing systems and the compensatory costs of devising a more rational structure of supply and demand in the transportation system become a matter of such involved political, administrative and other considerations that the easier way to accomplish this is simply to have private ownership--give everyone a car. The point is that the effects of all the competing systems would not be so direct or apparent in the normal political process, so you do not have to compensate. Maybe the other point here is that we are buying the whole public transportation system, all of it ought to be in public ownership before we can devise a rational set of transportation arrangments.

MEYER: I do not see how that follows at all.

MYERS: I have to confess that my reading of the Watts job program makes me think that helping people who need cars to have cars is, at very best, likely to have a minor impact. I simply cannot imagine that it will have any serious impact on any public transportation system now going. I just do not think that masses of people are going to qualify for a car.

The reason I like the cars-for-the-poor idea is that it can be used to motivate people who presumably need motivation. That is, you get a person working for his car--and get him "hooked on the habit." Then, in order to support his habit, he has to go out and get a better job. I feel that the idea has a certain amount of merit from that point of view. But I really do not think it is going to do much to reduce overcrowding on New York City's subways.

BRAND WEIN: Let me try a batch of things. Let us accept the statement of the problem as equating ghettos with poverty. Let us accept half of the solutions under the transportation policy--relocation of jobs, relocation of workers by opening up the building opportunities. The central point there is how to mesh transportation policies with other policies. If I were to try to develop new directions, I would say the first task is to identify how low income neighborhood residents themselves would categorize and give priority ratings to various ways of meeting transport problems.

MEYER: I think we do know the broad outlines of that. That is why I call it a ghetto problem, because it is attached to housing segregation.

BRANDWEIN: Much of the discussion on taxis and buses has relevance to transport problems, but we did not get to focus it on needs of poor residents of ghetto areas. If you were to inquire of residents of poor neighborhoods on how to solve their transportation problems, I think the first suggestion you would get would be for a system to cut the cost of maintaining the cars that poor people already own. This runs to the question of breakdown costs, to maintaining a private transportation system which is widely available but which is highly expensive to the poor. Most poor people find it very difficult to keep their cars in reliable running operation. Second would likely come the suggestion that communities be designed to minimize transportation needs and problems by putting shopping, recreational and other facilities within easy reach. Then I think you would find suggestions on how to make more transportation available, particularly through new group riding arrangements. Closely allied would be the idea of cutting travel costs for particular groups of the poor, most notably cut rates and low-cost transit passes for youngsters and oldsters. Another urging I have heard is to get employers to pay part of the high costs of getting to and from work, and here public policy should weigh how best to provide incentives to employers to develop easier and cheaper transit for disadvantaged employees.

These are the types of ideas that have emerged in my brief explorations with a few poor people on what their neighborhood's key transportation problems really are and what steps might be taken to meet them.

I am really saying that your formulation of possible broad solutions is too generalized and in many respects too limited.

MEYER: Undoubtedly my list of eight has left some thigs off. But I think there is a hint of almost every one of the solutions or elaborations you have suggested here. Our "cars for domestic peace", by the way, also gets at these repair and safety problems. Sumner and I suggested development of systematic rehabilitation establishments as part of the scheme.

MYERS: Actually, that is where John and I may part company. The reason that many ghetto residents have transportation problems in the first place is because they have trouble with their cars. This is because they usually own "junk heaps." You know that maintaining a junk heap is actually more expensive than buying something that is in good shape. The truth of the matter is that the cheapest car you can own is a brand new Volkswagen. Keep it for 25,000 miles or two years and turn it in. The depreciation of a VW is less in the first two years than it is thereafter, and before 25,000 miles, repairs are small.

The problem of used cars for ghetto residents is really a kind of consumer education problem. Most of them do not know how to buy cars or maintain them. Nor do they often know how to drive cars for maximum economy. If you could teach them how to buy cars, you teach them a life-long skill. If you teach them how to drive cars, that, too, is a life-long skill. If you teach them how to maintain cars, they might even end up by being good mechanics and could help you fix your car.

ALEXANDER: It seems to me we have talked a lot in the past about little things like jitneys and taxis and like self-help and other things. It is obvious it is pretty hard to know what the impact of any of these is going to be. But it also seems to be clear that there are cities within which these problems can be solved, at a relatively low cost and in a relatively short time and I think if there is any message it is that we are spending more money talking about these conditions than it takes to go out and do a small action program. I think we should do it now!

MEYER: May I make a small addition to that. It seems to me that all of these programs do lend themselves or could lend themselves to a model city program. I was not being totally facetious when I said that the cars for domestic peace might be just the thing for Houston, or at least should be tried there.

ALEXANDER: I had another point. John, you talked about the fact that when you try to look at the short term problem of transportation one of the political lessons which transcends is the whole urban racial issue. We want ultimately to see integration of the ghetto area. Another issue is our whole view of public mass transit. I think the lesson of what technological innovation has to offer and what we shall find in the year 2000 must be considered. We cannot begin to address the question of what an investment policy in mass transportation is and yet transportation directly affects the ghetto problem, even when a lot of resources that could be used for transportation for the poor are being siphoned off for other purposes. I really think you have to expand your philosophy toward solving the ghetto problem.

MEYER: I have proposed flexibility. I said that this should include reversibility in the face of economic considerations as well as implications about urban form which might be preferred.

ALEXANDER: You cannot have all the flexibility in the world.

MEYER: But if you want to be action oriented as I thought the first part of your statement suggested and are not quite sure of all those longer run implications, then flexibility has a lot to recommend.

ALEXANDER: But I really think you cannot take the view that everything has to be so flexible that you never make a good sized capital investment.

MEYER: I agree or I would not have posed the question. I think there are tradeouts in this but clearly flexibility is one thing worth considering.

KRAFT: I think when you are moving from a very tailored bus system to a jitney which in effect is simply a small bus, the service problems will become very obvious. When you get to Sumner's point I am curious as to what happens to the price of a three-year old American car when a lot of people are going to buy them all at once or what happens to the depreciation of the price of a new VW.

MYERS: First of all, I hope I have made it clear that I cannot imaging this being a truly mass transportation program. I see it more as a manpower training program rather than a transportation program. I may, of course, be wrong. I think that the way Ben puts it makes sense. We can stand around here all day and argue which way things are going to go. But in the end someone is going to have to try something.

KRAFT: I find the subject too appealing to drop.

MYERS: I am not suggesting dripping it at all. The fact is that the elements of it are very simple. They meet all of John's criteria in terms of a relatively low capitalization, reversibility and so on. What is more, they do not affect urban form if the program stays small. You could try the idea to see if, in fact, people can be motivated by getting to use a car. It might just work. I am slightly encouraged because the director of Big Brothers in Washington told me that nothing in the world motivates his kids like cars. In fact, he gets many of his referrals through the courts because boys are so fond of borrowing cars.

I am much less sanguine about government trying these things than Ben is. I am particularly surprised that Ben is cheerful about the future in that respect. After Wood's Hole, he and I were with a number of HUD people considering job jitneys. I suggested that the Friends Service Committee or some similar outfit might be persuaded to help provide poor people with cars. The silence was deafening--and we went back to talking about job jitneys. Remember that if you take the cars-for-the-poor approach, you do end up with a job jitney.

Another point that I want to make is that most job jitney schemes usually involve the employer providing the vehicle. I used to do this myself when I worked in a factory. It is a terrific way of getting people locked into a situation. When the company provides a car, the employee uses it as long as he works for the company. He cannot use the car to look for a better job any place else. Personally, I think that is wrong. I think it is far more desirable to help poor people who are on their way up to get there a little bit faster. Let them show others how it can be done and they too can go look for better jobs. If a man does not like his job, give him the freedom to quit and look for another. Again, I see this whole approach as a way to motivate people as well as transporting them. It is a way of giving them individual freedom.

KRAFT: What about formalizing a very extensive massive car pooling system.

MYERS: Once you start formalizing massive anythings, you get yourself into a big administrative bind. What is the matter with having three guys get into a car to go to work. Do you need a massive program for that? Do it small and easy.

KAIN: It is against the law if they exchange any money.

MYERS: Half of Washington, D. C., are criminals if that is the case. Is it against the law to pay for car pooling?

KAIN: You lose your insurance.

MYERS: Well, we will not tell anyone.

KAIN: The reason I mentioned this is to illustrate what is wrong with many of these schemes such as formalized car pooling. We have a lot of institutional restraints that make it very difficult to do these in any kind of a way that might work.

MYERS: Do you mean to tell me that all those car-pool racks in all those federal buildings are illegal?

KAIN: Illegal to exchange money on it.

__________: This discussion today reminds me of a piece I read on the history of Italian medicine--17th or 18th century Italian physicians would have a patient tell his symptoms to them and then dismiss him and then they would spend hours or even days discussing his symptoms and what they meant and how they might treat him. Now somewhere along the way someone had the idea of examining the patient which revolutionalized the whole history of medicine and we have tried many things since then. Now to get back to Miss Rosenbloom's earlier suggestion which I think is absolutely essential, going into the ghetto and finding out what people want. It would seem to me that in a setting like this or in a conference that might be sponsored by HUD or BPR that, rather than have seven or eight or 15 panelists from our various professions, we have a dozen ghetto people here--as we did in another setting where the issue was housing--we could learn a great deal. We could ask them. There are jitneys, there are taxis, there is the job problem, there are these various variables. It might take a while but they could think about them, they could tell us what they want. I think after a while we are working in a kind of vacuum here where we speculate, "Well, they may be like this or that, they may thing that would be interesting." I think, John, you initially posed the problem of what are we going to decide.

MEYER: No I did not do that at all. I will give the response to it although Sumner might prefer doing it.

MYERS: Certainly what you say fits in exactly with what I think should be done. As I understand Ben's comments, there is a certain point at which you simply have to go into the field and try something. You are not going to learn what you have to know just by asking abstract questions. We already know that people do not know what they want until they see what they can have. However, there is one shred of evidence about what people want--as soon as people get enough money, they buy cars.

MEYER: I do not think we would rule out talking to people. That would certainly be useful. I think that there was an undercurrent of response here, that we would rather see more experimentation. Let us offer some of these things and see what the responses are and really test them out. We are accepting your suggestion but we are going a step further in trying to offer people tangible alternatives and testing them through demonstrations, rather than just setting down and talking about them although I think that could be highly useful under certain circumstances too.

SUNDQUIST: It seems to me that you are on the right track but that the answers are not to be worked out at AAAS meetings or any other national gathering. Transportation planning has to be related at the local level to job development patterns and all the rest. In every one of the model cities, transportation problems are theoretically, at least being attacked right now and the place for people with ideas to move in is at that level and as part of that comprehensive planning process.

D. BERMAN: I just want to make a couple of points. When you are devising a kind of system which allows the market to respond, I do not think the consultation is as important. We did a good deal of research on the legal problems relevant to this. I think John Kain just alluded to the number of institutional constraints on the system. Then there is the added problem of trying to devise the kind of standard by which people get the car. In other words, if you take an income test you have to decide what happens when they begin to make above that income. Then, if you have the system where they take the car according to your proposal to drive to a job in particular areas, suppose that they just take the job to get the car and then take a job somewhere else. This becomes an extremely difficult thing to administer.

MEYER: We had it simplified.

MYERS: I think that it is very difficult to administer if you are going to involve the government in such a program. I can see the government requiring means tests, intelligence tests, morals tests and man-in-the-house tests. But imagine I were a philanthropist and I decided that I was going to go down to Roxbury and lend VW's to any reasonably ambitious person who came to me and said, "I just want to look for a better job." "Where do you want to look?" "I just want to look all over." "Oaky, I'll loan you a VW--come back in three weeks with the job." He comes back in three weeks and he has a better job. Now I tell him he can still use the VW but I want eight cents a mile until he pays it off. Then it is his. What do I care if he takes joy rides in it as long as he pays his way. Does it have to be any more complicated than that?

D. BERMAN: The only point I am trying to make is the degree of the program's reliance on government intervention. If the program needs to ask for tax exemptions and the removal of institutional constraints, then government intervention is inevitable.

MYERS: No, as a matter of fact, I thought I was reasonably clear on that point. The way right-wingers feel about the poor and the way left-wingers feel about cars, I simply cannot imagine how the government can do anything in this area.

BERMAN: But you are talking about tax exemptions, are you not?

MYERS: No, it would be nice if you had them, but I cannot imagine how they would be forthcoming.

MEYER: We had such things as local consumer credit cooperatives as one means of financing this. We had manpower retraining programs, the SBA, and EDA in there developing some of these rehabilitation facilities and helping with related labor problems. The government was involved in that way but we tended to have a market mechanism for allocation of the vehicles. They were priced and they were financed; they were not free.

HEIN: You said that it was difficult to set up car pooling arrangements, etc. There is a case just recently approved by the ICC where a car pooling arrangement in northern New Jersey was authorized for trips into Manhattan where the service was provided by the owner of a microbus type of vehicle. He would collect a file of people who lived in the area and had similar destinations. As soon as he collected six or so of these people he would put them together and lease them a bus--all gas, all repairs, and they drove themselves. The initial ICC reaction to that was quite negative.

KAIN: Can you tell us how many buses are running around.

HEIN: There must be 120 people using the service.

PERSKY: I think I was to go back to something that Fellman and a couple of others were saying. There are interesting parallels in the two camps that are here: namely, the camp that thinks they ought to decide and the camp that thinks that we really should not decide.

MEYER: There is no representation of that camp. The real destinction is whether you are going to decide by some kind of prior consultation or whether you are going to decide by testing, e.g. through the market.

PERSKY: The thing that really bothers me is that judging from the list of preferences that was suggested we would find in the ghetto and judging from the list of preferences that we have expressed here ourselves, it seems there are many contradiction. Some of these center on the question of gilding versus non-gilding and some center on other very important questions. If we adopt experimentation as a solution, how are we going to evaluate the experiments that are run. I can see that it would be very easy to throw out all those experiments that do not work. Without the goals being defined more clearly (and I am not sure what process should define them), I do not see how when we shotgun all these experiments through all the cities of the United States we can evaluate the ones that do work. I do not think you have been able to define them. I do not think that the list of goals presented as the hypothetical position of the ghetto defines them either.

MEYER: I think that is a point well taken. I do think we have learned quite a bit and I think we have learned that some of the things that we think would achieve certain goals might not and vice versa. That is a step forward. I think you are making an appeal for something else useful and that is to have some kind of systematic design for these programs and also follow-up procedures to see what the real acceptance and attitudes were to these experiments. Let us not do them superficially or without coordination and some in-depth study.

ALEXANDER: John, I think you should realize that these vehicular experiments are largely self liquidating. You do not really have the complicated goal issue. It is quite clear that a "good" when you do not have any serious resource commitment is mobility of people in the ghetto and that is enough of a "good" to be a standard of judgment quite apart from the larger objectives.

MEYER: Yes, but we would also learn something about the use of these vehicles.

DOERINGER: It strikes me a little that in the discussion this evening we have been confusing how these transportation programs will enhance freedom, a kind of broad social welfare function, and how mobility in the ghetto and those programs of a transportation nature are directed more specifically to the "Doeringer Income

Improvement Criteria." I think if we are really interested in using transportation programs as a way of enhancing freedom in the ghetto there are much more efficient ways of improving such social welfare. If on the other hand we are interested in the very narrow question of expediting income improvements through transportation policy then it seems to me that probably a program such as the eight-cents-a-mile VW is really going beyond facilitating exposure to work and is also subsidizing some other useful transportation which is not related to work but related to the quality of life. This may imply that there are less costly programs of getting people out to their work place.

MEYER: At the end of the afternoon, I promised I would go back to the problem of considering how you can allocate a fixed transportation budget to achieve certain goals and which goals you want to achieve. I was quite deliberately ruling out the broader range of issues which we were discussing during the afternoon and which are now somewhat reopened.

L. SCHNEIDER: I would like to ask Tom Floyd to comment on some other aspects of the Los Angeles projects. We were talking about the Century Boulevard line and by far the most intriguing aspect of the project and the thing that distresses me a little are the efforts of those cooperative groups (the Avalon Cooperative and I guess two or three others) to do what we have been talking about here--neighborhood involvement, entrepeneurship in the ghetto, finding out where job opportunities exist, trying to arrange specialized services, connecting the ghetto with the workplaces, fighting through the terrible bureaucracy and red tape, etc. Yet, they have not generated the anticipated ridership. Could you explain more about this?

FLOYD: I do not know why they have not generated the ridership. This is something the Project Office is trying to get some insight into. I do not know how many of you read the description of these but there are three non-profit corporations that are offshoots of old, rather well established neighborhood associations--the Avalon Carver group being one of them. There are two in the black area and one in the Mexican-American area that are trying to serve some of these long distance specialized job needs. The theory of the system when it was set up was that there would be big car pools with the driver driving the bus and working in the plant or at the same complex and the bus sitting out in the parking lot all day and then at the end of the shift all of them getting into the bus and coming back to their residences. It has not worked that way up to this point and there is doubt that it is going to work that way. At the moment the drivers are all being paid on an eight-hour basis which means that the costs are almost as high as they would be under any other conditions. There is a large turnover among the passengers, so the probability of finding a driver who is very stable and is going to stay on the job long enough to be a good driver and a safe driver may be low, so you are stuck with the high cost and you have not achieved anything. But the concept is an interesting one. The problem is that they have attracted almost no patronage. The projections were that they would have a lot more riders and these projections were based on very careful surveys by the neighborhood groups, in fact very intensive door-to-door types of surveys in collaboration with the State of California Service Center, trying to match people qualified to do jobs with known vacancies or at least reported vacancies at sites. Now when the service started operations, some of these so-called vacancies disappeared. There is a strong suspicion that some of them disappeared because the excuse of transportation was being used as a rationalization by employers, that they really did not want to hire people from the area anyhow, and that they were just telling the man that if you cannot get here by car we cannot hire you. Once transportation was provided the job disappeared. We do not know yet; they are still trying to find out what is happening there.

L. SCHNEIDER: The reason I asked is that I wanted to bring this discussion back to a very realistic level. Bill Hibbard in Los Angeles has tried to implement much of what we talked about here, but the answers are just not clear.

FLOYD: That is a very good point. I, too, thought it should be emphasized more. I do not know any project where there has been more community action planning. There have been six progress reports from the project. There is really not too much hard data in them; but there is a tremendous amount of detail on the exhaustive community relations activity that has occurred. There are relationships to not just five or six but to dozens and dozens of associations. Hibbard is extremely interested in this anyhow, very dedicated to the project and he has done everything that I could imagine a project office could do to build up a rapport and try to find out what is desired. This has been my impression. Sandra and others may have other impressions.

ROSENBLOOM: Well, I have some inside sources who seem to feel that what Tom suggested is true. That employers will offer jobs saying that they have job vacancies, and ask that these people report three weeks from now on Monday and three weeks minus two days on Friday the office will get a call and the employer will say "I'm sorry we have some regular people coming back." or "Some of our old regulars came back." or "The job has just disappeared." This happens over and over again. Also the original and the continuing ridership, even with the turnover on these jitneys, are people who already have jobs. They have not been too successful in putting together a kit so to speak --finding an unemployed person, getting him on a jitney, and getting him a job. What they are doing is attracting people with jobs and probably attracting them off the SCRTD buses.

KAIN: Could I ask a question about this paid driver thing? If there are these regular job holders, why can't they be paid 20 hours a week instead of having a 40-hours a week full-time driver. That would come close to halving the cost of it.

ROSENBLOOM: Why would somebody do that? You have to sit around on the lot.

KAIN: They would have the job on a regular basis.

ROSENBLOOM: I see what you are saying. Apparently nobody wanted to.

KAIN: You mean nobody? There surely is someone who is willing to accept; how about 39 hours?

ROSENBLOOM: First of all there is a legal restriction. You need a chauffeur's license and that is very hard to get and I do not think you can get a chauffeurs license if you have any type of criminal record.

KAIN: So we are back to where we started.

MEYER: There are many institutional barriers which, by the way, Hibbard did a remarkable job of circumventing. I do not know how he overcame as many of them as he did.

FLOYD: That was a very difficult thing and it illustrates some of the problems we were talking about earlier. There was an awful lot of interest brought to bear on the decisions there. The general rule that has been applied by the Department of Labor in passing on whether these demonstration projects have adequate protection against adverse effects on other employees is that the project must pay the prevailing wage.

The prevailing wage in Los Angeles for bus drivers is the one set by the Southern California Trasit District--which is around $3.75 an hour. The drivers on these buses are being paid about $2.25. This was accepted by the union and by the others after a great deal of negotiation accompanied by unease on their part and with a kind of understanding that there would not be many of these experiments elsewhere but that Los Angeles had particular conditions that made it necessary to try them there.

GOLDSTEIN: Do you know what the rate of automobile availability or ownership is in family units in Watts?

FLOYD: Yes, it is very low and it varies of course from district to district. One of the interesting things that we have done is a complete census of several census tracts. In effect we have updated the census and a lot of interesting things have come out of it. We went into the question of automobile availability and not only the existence of an automobile but the quality of that automobile and whether or not it was insured. What this points out is that even where the automobiles exist, and let us say that only about 40 per cent had access to an automobile, a lesser per cent had access to an automobile that would operate satisfactorily every day in freeway type commuting.

MYERS: I believe one out of five reported that his car could not operate on the freeway.

FLOYD: It makes a difference, particularly in Los Angeles.

MYERS: A surprising number of poor families--57 per cent--own automobiles. The trouble is that most of their automobiles are too old and many are junk heaps. The problem is that the poor own unreliable (and unsafe) automobiles. Reliability is a key factor when you have to get to work every day.

BRENNER: There is another aspect of this you might consider. One of the problems with regard to the drunken driving problem arises when a man is convicted of the felony of drunk driving and gets his license revoked. If he is in an area where there are not forms of other transportation then the society in effect has taken away his ability to get to a job, so we have a situation which I believe is more or less common across the country in which the number of people who have licenses revoked but continue to drive because they have no alternative is substantial. If the taxi-jitney idea were developed to the point where the community in some fashion provided the service to the "unfortunate" who lost his driver license then he could continue to hold a job while sweating out his license revocation. Variations of this have been attempted around Christmas when proper people proceed to get themselves "looped" and various people make their services available upon a telephone call to provide transportation. I think that there are other types of transportation services, such as the transportation for the indigent or older people, that a taxi group or a jitney group run by the society or community in some fashion should provide. What I am saying is that there are other transportation services that can be provided which make these ideas that Miss Rosenbloom and Sumner Myers are describing even more palatable.

FLOYD: I was just thinking about Ben Alexander's comment earlier that HUD needs to start conducting some experiments real fast. This particular experiment of providing a service for "looped" drivers might offer some possibilities.

MEYER: HUD has tried to launch more experiments than it has been permitted to do because of these institutional barriers.

BRENNER: There has been an attempt at this in Orange County, when men were in prison, to use subsidized taxi services--so it is not that far out.

FLOYD: That is not unreasonable. The project office in Watts, Los Angeles, turned up the information that there seemed to be a good many instances where an entire car pool had lost its job only, because one of the members, the driver had not sobered up the next morning so the entire pool was not able to go to work and was dismissed.

MEYER: I want to thank all of you for maintaining such a high level of perception through such a long day. I guess there is only one story I can tell in summarization that ties in this morning's discussion with this evening's. Just about the first man to speak here today was Marty Wohl who may not be the most unbiased, but is certainly one of the most perceptive observers of the urban transportation scene. One of my favorite stories about Marty is that almost every time he sees a taxicab on the street when he is with someone, he likes to nudge him and say, "There goes the public transit of the future." Thank you all very much.